CONCURRENT REGULAR MEETING OF THE TRACY CITY COUNCIL AND SPECIAL MEETING OF THE TRACY PUBLIC FINANCING AUTHORITY

Tuesday, May 21, 2024, 7:00 P.M.

Tracy City Hall Chambers, 333 Civic Center Plaza, Tracy
Web Site: www.cityoftracy.org

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

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

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

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

***Remote Public Comment**:*

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

- *Comments via:*
  - **Online by visiting** https://cityoftracyevents.webex.com and using the following **Event Number: 2556 195 3806** and **Event Password**: TracyCC
  - ***If you would like to participate in the public comment anonymously***, you may submit your comment in WebEx by typing "Anonymous" when prompted to provide a First and Last Name and inserting Anonymous@example.com when prompted to provide an email address.
  - Join by phone by dialing +1-408-418-9388, enter 25561953806 #8722922# Press *3 to raise the hand icon to speak on an item.

- *Protocols for commenting via WebEx:*
  - *If you wish to comment on the "Consent Calendar", "Items from the Audience/Public Comment" or "Regular Agenda" portions of the agenda:*
    1) *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.*
    2) *If you no longer wish to comment, you may lower your hand by clicking on the Hand icon again.*
  - *Comments for the "Consent Calendar" "Items from the Agenda/Public Comment" or "Regular Agenda" portions of the agenda will be accepted until the public comment for that item is closed.*
  - *Comments received on Webex outside of the comment periods outlined above will not be included in the record.*

Date Posted: May 16, 2024

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

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

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

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

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

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

Date Posted: May 16, 2024

CALL TO ORDER

ACTIONS, BY MOTION, OF CITY COUNCIL PURSUANT TO AB 2449, IF ANY

ROLL CALL AND DECLARATION OF CONFLICTS

PLEDGE OF ALLEGIANCE

INVOCATION

PRESENTATIONS

1. D.A.R.E. Presentations
2. Key to the City Presentation
3. Certificates of Reappointment – Planning Commission
4. Proclamation – LGBTQ Month

ORDER OF BUSINESS

1. CONSENT CALENDAR

1.A. Adoption of April 30, 2024 Special Meeting and Closed Session Minutes.

1.B. Staff recommends that the City Council adopt a resolution ratifying the San Joaquin Council of Governments (SJCOG) Annual Financial Plan for Fiscal Year 2024-2025, as required by the Joint Powers Agreement between SJCOG and its member agencies.

1.C. Staff recommends that the City Council adopt a Resolution (1) accepting an allocation of Fiscal Year 2023-2024 funds in the amount of $86,815 from the California Low Carbon Transit Operation Program; (2) authorizing the City Manager, or designee, to execute requisite funding documents, certifications and assurances; and (3) appropriating all $86,815 to the Transit Fund for free student fares.

1.D. Staff recommends that the City Council (1) approve a Professional Services Agreement with ETA Transit Systems, Inc., for the installation of intelligent transit system software and hardware for the TRACER bus system with a contract price not to exceed $1,357,333, a five-year initial term, and an administrative option for the City Manager to extend the term one additional year, and (2) authorize the City Manager, or designee, to sign any ancillary support agreements.

1.E. Staff recommends that the City Council adopt a resolution (1) accepting the construction for the Water Treatment Plant HVAC Replacement – Blower Building Project, Capital Improvement Project 75171 (Project), completed by B&M Builders Inc. of Rancho Cordova, California, (2) authorizing the City Clerk to File the Notice of Completion with the San Joaquin County Recorder's Office, (3) authorizing the City Engineer to release the bonds and retention payment in accordance with State law; and (4) authorizing the Finance Department to close the Project.

1.F. The Tracy Finance Committee recommends that the City Council adopt a Resolution amending the City's Operating and Capital Budget for Fiscal Year 2023-2024.

1.G. The Tracy Homelessness Advisory Committee recommend that the City Council adopt a Resolution approving Amendment No. 1 to the General Services Agreement with United Site Services of California, Inc. at the Temporary Emergency Housing Facility, Capital Improvement Project 71112, at 370 West Arbor Avenue, to increase the original scope of service, increase the total not-to-exceed amount to $255,563.51, and extend the term from May 31, 2024 to June 30, 2025.

1.H The Tracy Homeless Advisory Committee recommend that City Council adopt a Resolution (1) awarding a construction contract to Bockmon & Woody Electric Company, Inc. of Stockton, California for the 370 and 384 W. Arbor Road Power Supply Project at the Temporary Emergency Housing Facility Project, Capital Improvement Project (CIP) 71112, in the amount of $614,275 and (2) authorizing the City Manager to approve construction contract change orders up to the contingency amount of $61,428, if needed, pursuant to Tracy Municipal Code Section 2.20.090(b).

1.I. Staff recommends that the City Council adopt a Resolution: (1) approving, pursuant to Government Code Section 990.8, the execution of the Joint Powers Agreement with a consortium of public agencies to join an Insurance-Risk Pool Entity Collectively Known As Public Risk Innovation, Solutions (PRISM); and (2) approving the execution of a Memorandum of Understanding with PRISM to authorize the City to utilize PRISM to form an Owner-Controlled Insurance Program (OCIP) for use on future capital projects.

1.J. Staff recommends that the City Council adopt a Resolution:
1) awarding a construction contract to Roebbelen Contracting, Inc. of El Dorado Hills, California for construction of the Multi-Generational Recreation Center Project, CIP 78178, for a contract amount of $60,221,000;
2) authorizing the City Manager to approve change orders on the contract with Roebbelen Contracting, Inc. up to the maximum contingency amount of $6,022,100, if needed, pursuant to Tracy Municipal Code Section 2.20.090(b);
3) approving the execution of a Gas and Electric Extension Agreement with Pacific Gas & Electric for the Project for a not-to-exceed amount of $190,000.00;
4) authorize the City Manager, pursuant to Government Code Section 4420(b), to proceed with the proposal from Alliant for an Owner-Controlled Insurance Program (OCIP) to procure construction insurance for the Project for a not-to-exceed amount of $1,796,052.

1.K. Staff recommends that the City Council take the following actions, pursuant to the California Landscape and Lighting Act of 1972 and California Streets & Highway Code § 22623 et seq.: (1) Adopt a Resolution Approving the Engineer's Report describing existing and/or proposed new improvements for the Tracy Consolidated Landscape Maintenance District for Fiscal Year 2024/2025; and (2) Adopt a Resolution of Intention: (A) to levy and collect annual assessments for the Tracy Consolidated Landscape Maintenance District for Fiscal Year 2024/2025 to be considered at a future public hearing; and (B) hold a public hearing on June 18, 2024, at 7:00 p.m. to consider the same in accordance with the Landscape and Lighting Act of 1972.

2. ITEMS FROM THE AUDIENCE

3. REGULAR AGENDA

3.A. Staff recommends that the City Council (1) Continue the Public Hearing from April 2, 2024, pursuant to Tracy Municipal Code Section 4.12.320, to consider assessment of costs for the abatement of weeds, rubbish, refuse, and flammable materials on the following three parcels: 280 W. Mount Diablo Road, 302 W. Mount Diablo Road, 2480 W. Byron Road, and upon its conclusion, (2) By separate motion approve the final assessment of abatement costs on each of the three parcels.

3.B Staff recommends that the City Council conduct a public hearing and, upon conclusion: 1) Adopt a resolution adopting an Initial Study/Negative Declaration, in accordance with the California Environmental Quality Act, for the Tracy Fire Training Facility, located south of Brichetto Road, and east of Chrisman Road, on a portion of Assessor's Parcel Number 250-030-07 (Property), Capital Improvement Project 71109 (Project); 2) Adopt a Resolution (a) Designating 5.13 acres of the City-owned property for the project; (b) Authorizing the execution of a Memorandum of Understanding with San Joaquin County for the award of $2,599,234 of American Rescue Plan Act grant funds for Phase 1 of the Project costs; and (c) Appropriating the grant funds to the project.

3.C. The Finance Committee recommends that (1) the City Council 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, 2024, the proposed Citywide Master Fee Schedule and (b) rescinding, effective as of July 1, 2024, the existing Citywide Master Fee Schedule adopted by Resolution 2023-048.

3.D Staff recommends that the Tracy City Council and the Tracy Public Financing Authority, concurrently, take actions as follows: A. That the Tracy City Council adopt a Resolution approving documents and actions related to the issuance and sale of lease revenue bonds in the aggregate principal amount not exceeding $60,000,000 by the Tracy Public Financing Authority to provide financing for the acquisition and construction of the multi-generational recreation center, improvements to El Pescadero Park and related public improvements. B. That the Tracy Public Financing Authority adopt a Resolution approving documents and actions related to the issuance and sale of lease revenue bonds to provide financing for the acquisition and construction of the multi-generational recreation center, improvements to El Pescadero Park and related public improvements.

3.E The Tracy Finance Committee recommends that the City Council Select, by motion, one or more of the following proposed amendments to Chapter 6.04 (Business Taxes) of the Tracy Municipal Code: reduction in gasoline sales tax rate; a raw material exemption for manufacturing; and an overall tax rate reduction of 25%.

3.F. Staff recommends that the City Council consider a request by the Mayor to increase her travel budget for fiscal year 2023-2024 by an amount not to exceed $3,000 for a total not to exceed $33,000, and upon consideration, take, by motion, one of the following actions: 1) increase the Mayor's budget by $3,000 and reduce an equivalent amount in other Councilmembers' budgets; 2) increase by $3,000 and appropriate an equivalent amount of General Fund reserves; 3) deny the request; or 4) take other action regarding the Mayor's request.

4. ITEMS FROM THE AUDIENCE

5. STAFF ITEMS

6. COUNCIL ITEMS

7. ADJOURNMENT

TRACY CITY COUNCIL - SPECIAL MEETING MINUTES

April 30, 2024, 5:00 p.m.

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

1. Mayor Young called the meeting to order at 5:01 p.m.

2. There were no actions taken pursuant to AB 2449.

3. Roll call found Council Members Arriola, Bedolla, Evans, Mayor Pro Tem Davis and Mayor Young present. There was no declaration of conflicts by City Council.

4. Midori Lichtwardt, City Manager presented Employee of the Month Award to Stacey Perrien, Maintenance Worker – Utilities.

   Mayor Young presented Proclamation for Lyme Disease Awareness Month to Samantha Heinrich.

   Mayor Young proclaimed May as Neurofibromatosis Awareness Month.

   Mayor Young presented a Proclamation for National Public Works Week to David Murphy, Assistant Director – Operations.

5. Items from the audience – Robert Tanner wanted to know if Council was aware that the Salvation Army who is running the shelter are bringing in homeless individuals from out of town and called for an investigation regarding this issue.

   Alice English thanked the Ripon, Escalon, Lathrop and South County Fire that assisted with the fire near the Banta Inn. Ms. English stated that the Mayor has no right to interrupt the speaker, prohibit freedom of speech, and no right to have people escorted out of the meeting.

   Mayor Young responded to Ms. English's comments.

6. CONSENT ITEMS: 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.

   6.A. Approval of April 16, 2024, Closed Session, Special Meeting and Regular Meeting Minutes, and April 23, 2024, Special Meeting and Closed Session Minutes. – **Minutes were approved.**

   6.B. The Tracy Finance Committee recommends that the City Council adopt a resolution authorizing the execution of an agreement to commit to the purchase of two replacement fire apparatus for the cost of $2,297,696 to be paid upon the date of delivery, estimated to be 32 months later. - **Resolution 2024-063**

   6.C. By Motion, Authorize the City Attorney to Respond to the Formal Notice of Brown Act Violation/ Cease and Desist from Burnell Shull dated April 16, 2024**. – City Attorney authorized to transmit notice to Burnell Shull.**

7. DISCUSSION ITEMS.

Mayor Pro Tem Davis shared that she would be recusing herself from Item 7.A due to proximity of real property at 5:29 p.m.

7.A. The Tracy Parks & Community Services Commission recommends that the City Council, for the Aquatic Center Capital Improvement Project 78054 (Project), by motion, take the following actions: 1) reject the use of Developer's Design Development Plans; and 2) authorize staff to plan the Project with Base Program – Option B with a $55 million project budget for the ultimate City-led development of the Project.

Richard Joaquin, Parks Planning & Development Manager, Jolene Jauregui, Interim Parks and Recreation Director and Brian MacDonald, Interim Public Works Director provided the staff report and presentation.

Todd Lieberg, Chairperson for the Parks and Recreation Commission, spoke on behalf of the commission, shared history of the project, and the role of the Parks and Recreation Commission. Mr. Lieberg stated that after multiple meetings with the swim community, community at large and Council the Parks Commission voted to approve Option B and encouraged Council to follow suit.

Council questions followed.

John Hughes, consultant from Griffith Structures responded to Council questions.

Council questions continued.

Dan Randall shared his experience consulting with other cities and distress over the cost, what staff is offering and asking the citizens of Tracy to accept a lower class of facility, expressed that the full promised amenities can be done for far less than $165 million.

Rosario Arulappan represented a group of community members, shared the project that Surland is presenting is great if they would be paying the $165 million, expressed concerns regarding the Surland proposal that includes a bar. Mr. Arulappan expressed support for Option B that staff presented and shared information regarding Mitracos vs. Surland lawsuit, history of the Ellis Community, the promise of an Aquatic Center, and the distrust that the community now has for the developer and requested that the City plans be accepted and that the Aquatic Center be built for the Citizens of Tracy.

Robert Tanner shared that the past Planning Commission removed the cabana and bar option because alcohol and water will have an increase in emergency medical services, suggested that the park be used year-round by adding an indoor pool and eliminating the lazy river.

Community Member thanked staff for the clear options presented, recommended that Council vote for Option B, and asked if the option of a lazy river and indoor pool can still be added within the $55 million.

Leah Austin requested Council to move forward with the community design approach for the Aquatic Center, called for a review of how the Measure V funds are prioritizing allocation of funds for amenities, urged Council to reject the recommendation presented and vote for the community design plan.

Community Member expressed concerns regarding design and that the Tracy people deserve to have the best aquatic park and asked that a police station be included as part of the plan for the aquatic park.

Community Member shared the experience of living in a community with an Aquatic Center, supported an expansion on Option B, asked how much of the developer plans can be incorporated, and requested that staff come back with real numbers and not conceptual numbers.

Community Member shared support for Option B and requested that the project be expedited because the community has waited too long for this amenity.

Community Member shared support for Option B and stated a City led project helps better the community.

Community Member shared that the City deserves something that it can be proud of, stop the delays because that drives up the prices, look into how the facility can be run year-round, and options that would make the park self-sustainable.

Community Member shared that there was a promise that was made when the residents purchased their homes and would like a decision and action taken, feels let down by this process, the length of the process that it took to get here, expressed support for Option B, and that an additional $100 million will take away from other needed amenities.

Frank Morellis shared that this needs to move forward and give the stakeholder direction to get this passed for many families to benefit from right away.

Community Member shared his excitement that things are moving and does not understand why there is extended discussion especially if the land and money are available, asked what happens if Council does not support and if that cause further delays.

Brian Young expressed frustration on the lack of amenities, the additional travel to use amenities at other cities, and that an Aquatic Center will be a great outlet for the youth. Mr. Young read a letter from Regan Martin that expressed support for the Aquatic Center.

Sandy Taylor expressed support for Surland and about membership of the 2005 Aquatic Center Taskforce, finds the City's plan is offensive, urged Council to move forward with the community designed Aquatic Center, and to stop excluding the developers and the community members that disagree with Council.

Danielle shared that the population of Tracy has grown, and the plan presented by the City is not considering future City growth, and shared experience at the Aquatic Center in Livermore.

Community Member asked how the options were prioritized for Option B, asked that an indoor pool be included for year-round utilization of the Aquatic Center.

Chris Long from Surland, shared organizational background and relationship with the City in the building of the Transit Center and City Hall. Mr. Long stated that Surland is committed to pay the remaining balance of $8 million if the City accepts that as final payment and shared that cost estimates are overstated and would like to sit with the City in good faith to find a resolution to outstanding issues.

Council Member Bedolla asked questions and Mr. Long responded.

Ann Langley shared that she is a member of the Aquatics Taskforce, staff keeps referring to Surland Plans when in fact these plans are the citizen plans and asked that the City collaborate and invest in the community to build for future growth.

Vannie Dart asked that Council vote wisely since this is taxpayer dollars, asked that Council vote on Option B, and save money for the addition of Police Officers and another precinct.

Roy Hawkins shared that he is a member of the City Council appointed Aquatic Taskforce, that was never disbanded, staff and Council refuse to meet with the taskforce and shared that the City needs an Aquatic Center and not a swim center.

Alice English shared information from past Council meetings, asked Council to not be irresponsible with taxpayer money, this is the future of Tracy, Surland has yet to live up to what they promised, urged Council not to make the mistakes that have been made in the past, and shared that Council Member Arriola has received election donations from Surland that is why he will not vote against the developer.

Council Member Arriola objected to the characterization and clarified that he voted to sue Surland for the funds owed.

G. Jacob asked where the funds shortfall would come from if the developer supported plan is approved, and urged Council to vote for Option B.

Michel Bazinet stated he finds the City to be hypocritical in the difference between the acceptance of the Multigenerational Center and the Aquatic Center, and supports the developer led project for the Aquatic Center.

Dustin Smith-Salinas stated there seems to be too many questions for this project regarding the financial impact and expressed that it is irresponsible for the City to approve this without a plan.

Ubbo Coty expressed disappointment that the City has the land, funds, more changes are being proposed without a plan, and expressed concerns with potential delays, and concerns regarding the location of the proposed location and its proximity to the airport.

Community Member expressed support for Option B, stated the lack of amenities forces families to go outside of Tracy, shared concerns regarding inflation, and urged Council to start now.

Ajay Yvs urged Council to approve Option B and asked that it be done sooner rather than later.

Gabriella Rodriguez Machuca asked about the actual funds that are needed, why the closed session meeting is being held after this meeting, and how can a decision be made considering that there are so many unanswered questions regarding this project, and asked why it can't be done in phases.

Jose Chavez urged City Council to approve Option B, shared that this is not intended to be a resort or county amenity but an amenity for the residents of Tracy.

Community Member shared that Council has decided to ignore what the community wants, seems that the City is looking to build a glorified motel pool, that it will not be as nice as the Great Wolf Resort, and supports a resort style center.

Council comments continued.

Council Member Bedolla motioned to reject the use of the developers design development plans and authorize staff to plan the project with elements of the 2020 conceptual plan and return to City Council with concept for further consideration and discussion, Council Member Evans seconded the motion.

Council comments and questions continued.

Council Member Arriola made a substitute motion to authorize staff to plan the project with 2020 previously approved City Council program priorities and to include potential phase options.

Council Member Bedolla asked Council Member Evans if he would accept a friendly amendment to move on with the elements of the 2020 conceptual plan. To strike to reject the plans.

Council discussion continued.

Mayor Young made a friendly amendment in the motion – adding other options. Council Member Bedolla restated his motion to reject the plans and go with the elements of the 2020 conceptual plans.

Council Member Arriola clarified his did not include portion one, only included the second portion but it was 2020 plans with consideration of phasing.

Ms. Patel clarified that the City does not own the developer plans and the procurement process will not be piggybacking on someone else's plan.

Council comments and questions continued.

Council Member Bedolla restated his motion to authorize staff to plan the project with the elements of the 2020 conceptual plan and return to City Council with a concept for further discussion and to reflect Council's comments today.

Council Member Evans made an alternative motion which is exactly that (Council Member Bedolla's motion) except want a base design at the $55 million and with inclusive of alternates that meet the 2020 program priorities.

Council questions and discussion continued.

Council Member Bedolla restated his motion to authorize staff to plan the project with elements of the 2020 conceptual plan and return to City Council with a concept for an all-encompassing discussion in consideration of every Member's comments tonight. Council Member Arriola and Evans seconded.

Council questions and discussion continued.

Council Member Bedolla restated his motion again to authorize staff to plan the project with the elements of the 2020 conceptual plan and return to City Council with a concept for further discussion.

Mayor Young stated within three months.

Council Member Bedolla responded as soon as possible.

ACTION: Motion was made by Council Member Bedolla and seconded by Council Member Evans to authorize staff to plan the project with the elements of the 2020 conceptual plan and return to City Council with a concept for further discussion. Roll call found Council Members Arriola, Bedolla, Evans and Mayor Young in favor; passed and so ordered. Mayor Pro Tem Davis absent.

Mayor Pro Tem Davis rejoined the meeting at 9:47 p.m.

8. Council Items and Comments – Council Member Arriola, wished his Council colleagues safe travels to the One Voice trip and Happy Mother's Day to all.

Mayor Young wished a Happy Mother's Day, shared Earth Day activities and gave Dotty Nygard a key to the City for all her work in the community.

9. Adjournment – Time: 9:48 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 April 26, 2024. The above are action minutes. A recording is available at the office of the City Clerk.

_____
Mayor

ATTEST:

_____
City Clerk

TRACY CITY COUNCIL - SPECIAL MEETING MINUTES

April 30, 2024, 7:00 p.m.

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

1. Mayor Young called the meeting to order at 9:49 p.m.

2. There were no actions taken pursuant to AB 2449.

3. Roll call found Council Members Arriola, Bedolla, Evans, Mayor Pro Tem Davis, and Mayor Young present. City Council had no declarations of conflicts.

   Mayor Pro Tem Davis announced that she would be recusing herself from Item 5.B due to proximity of real property.

4. Items from the audience – Community member asked about the food poisoning cases at the shelter and how long before the Health Department gets involved and shared that she had assisted a gentleman that left Sutter Hospital with food poisoning.

   Kimberly Murdaugh, Interim Assistant City Manager responded to questions.

5. Discussion Items:

   5.A. CONFERENCE WITH LEGAL COUNSEL —EXISTING LITIGATION
   (Paragraph (1) of subdivision (d) of Gov. Code Section 54956.9)

   Name of case: *Barrios v. Tracy City Center Association, et al,* San Joaquin County Superior Court, Case No. STK-CV-UWT-2023-11324

   5.B CONFERENCE WITH LEGAL COUNSEL —EXISTING LITIGATION
   (Paragraph (1) of subdivision (d) of Gov. Code Section 54956.9)

   Name of case: *City of Tracy v. Surland Communities, LLC.,* San Joaquin County Superior Court, Case No. STK-CV-UBC-2024-0002338

ACTION: Motion was made by Council Member Arriola and seconded by Council Member Evans to recess to Closed Session. Roll call found all in favor; passed and so ordered. Time: 9:55 p.m.

6. Reconvened to Open Session – Time: 10:41 p.m.

7. Report of Final Action, if Any – No reportable action.

8. Council Items and Comments - None

9. Adjournment – Time: 10:47 p.m.

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

The above agenda was posted at the Tracy City Hall on April 26, 2024. The above are action minutes. A recording is available at the office of the City Clerk.

_____
Mayor

ATTEST:

_____
City Clerk

May 21, 2024

Agenda Item 1.B

RECOMMENDATION

Staff recommends that the City Council adopt a Resolution ratifying the San Joaquin Council of Governments (SJCOG) Annual Financial Plan for Fiscal Year 2024-2025, as required by the Joint Powers Agreement between SJCOG and its member agencies.

EXECUTIVE SUMMARY

This item seeks Council approval and ratification of the San Joaquin Council of Governments (SJCOG) Annual Financial Plan. The San Joaquin Council of Governments (SJCOG) is a joint-powers authority comprised of the County of San Joaquin and the cities of Stockton, Lodi, Manteca, Tracy, Ripon, Escalon and Lathrop. The San Joaquin Council of Governments is required by the Joint Powers Agreement to adopt a budget (Annual Financial Plan) annually, which is to be sent to each of the member agencies for ratification.

BACKGROUND AND LEGISLATIVE HISTORY

The Joint Powers Agreement forming the SJCOG, which the City is a party to (Attachment B hereto), requires that the Annual Financial Plan be sent to member agencies for ratification by each governing body.

Attached is correspondence from SJCOG, dated April 2, 2024, requesting the City ratify the Plan prior to June 30, 2024; Resolution R-24-24 adopting the Plan; and a copy of the Annual Financial Plan (Attachment A hereto).

ANALYSIS

The San Joaquin Council of Governments (SJCOG) is a joint-powers authority comprised of the County of San Joaquin and the cities of Stockton, Lodi, Manteca, Tracy, Ripon, Escalon and Lathrop. The role of SJCOG is to foster intergovernmental coordination within San Joaquin County and with neighboring jurisdictions, other regional agencies in the San Joaquin Valley, the state of California, and various Federal agencies.

The San Joaquin Council of Governments is required by a Joint Powers Agreement to adopt a budget (Annual Financial Plan) annually. The Annual Financial Plan is a line-item budget identifying estimated revenues and expenditures for the fiscal year. On March 28, 2024, a proposed Annual Financial Plan was presented to the SJCOG Board of Directors. The budget is sent to each of the member agencies for ratification.

FISCAL IMPACT

SJCOG receives funding from Federal, State and local funding sources and distributes those funds to local jurisdictions. The City does not make a direct contribution to SJCOG, therefore there is no fiscal impact associated with this action.

STRATEGIC PLAN

This agenda item is a routine operational item and does not relate to the Council's Strategic Plans.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that City Council, by resolution, ratify the San Joaquin Council of Governments (SJCOG) Annual Financial Plan for Fiscal Year 2024-2025, as required by the Joint Powers Agreement between SJCOG and its member agencies.

Prepared by: Adrianne Richardson, City Clerk

Reviewed by: Sara Cowell, Director of Finance
Kimberly Murdaugh, Interim Assistant City Manager
Jeffrey Crosswhite, Assistant City Attorney

Approved by: Midori Lichtwardt, City Manager

ATTACHMENTS

Attachment A - San Joaquin Council of Government's Annual Financial Plan for FY 2024-2025
Attachment B – Amended and Restated Joint Powers Agreement establishing the San Joaquin Council of Governments

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ATTACHMENT A

SAN JOAQUIN COUNCIL OF GOVERNMENTS

555 E. Weber Avenue • Stockton, California 95202 • P 209.235.0600 • F 209.235.0438 • www.sjcog.org

David Bellinger
CHAIR
Diane Lazard
VICE-CHAIR
Diane Nguyen
EXECUTIVE DIRECTOR
Member Agencies
CITIES OF
ESCALON,
LATHROP,
LODI,
MANTECA,
RIPON,
STOCKTON,
TRACY,
AND
THE COUNTY OF SAN
JOAQUIN

April 2, 2024

Midori Lichtwardt
City of Tracy
333 Civic Center Plaza
Tracy, CA 95376

Dear Ms. Lichtwardt:

On March 28, 2024 the SJCOG Board adopted the Annual Financial Plan for FY 2024-25. Attached is the board staff report as well as a copy of the adopting resolution. Pursuant to SJCOG's Joint Powers Agreement, following adoption of the budget by the SJCOG Board, it is to be delivered to member agencies for ratification by each governing body. Approval by a majority of the governing bodies representing 55% or more of the county's population is considered ratification.

Therefore, SJCOG requests you place SJCOG's Annual Financial Plan for FY 2024-25 on a forthcoming agenda prior to June 30, 2024, for ratification.

The Annual Financial Plan implements the FY 2024-25 Overall Work Program (OWP) that was also adopted by the SJCOG Board on March 28, 2024.

The attached excerpt of the Annual Financial Plan (AFP) provides a summary of revenues and expenditures by cost category and line item comparing the approved FY 2024-25 budgets with the current year (FY 2023-24) adopted budget, as most recently amended, along with FY 2022-23 actual expenditures. Revenues and expenditures total **$48,303,601.00**. The approved AFP represents the general fund budget for SJCOG. The revenues and expenditures in the AFP are the same as the Overall Work Program (OWP), however, presented in a traditional line-item format compared to the work element format of the OWP.

Readers should note several differences between SJCOG and its member agencies' budgets:

- SJCOG revenue sources are quite different from our member agencies.
- SJCOG employs staff on an at-will basis, vis-à-vis civil service and has its own employee handbook and policies.
- SJCOG has its own Financial and Accounting Policy guiding our financial matters including procurement procedures.
- SJCOG employees are exempted from Social Security except for Medicare.
- As noted below, SJCOG offers a defined contribution retirement plan to its employees. SJCOG has no CalPERS or post employments benefit obligations except limited sick leave conversion as noted.

The following assumptions are incorporated in the budget:

1. Work will not begin, and expenses will not be incurred unless anticipated revenue sources are secured.
2. The AFP anticipates SJCOG to be fully staffed. The budget includes a 7.00 % pool that can be drawn upon for merit-based increases and potential promotions. The full impact of that pool is incorporated into the salary-driven benefits (retirement, Medicare, disability).
3. SJCOG has no significant liability exposure for post-employment benefits.
    a. The employee retirement program is a defined contribution program managed by the International City Managers Association Retirement Program (Mission Square Retirement).
    b. SJCOG employee vacation accruals are capped at two times the individual's annual leave.
    c. Upon separation with 50 years of age or 20 years of SJCOG employment, an employee can convert accrued sick leave hours to be deposited into a Retirement Health Savings Account to pay for health-related expenses. The conversion is based upon the employee's salary at retirement.

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SJCOG staff would be pleased to appear before your policymakers to answer any questions they might have regarding this matter. **We request ratification prior to June 30, 2024.** Please let me know when this will be on your agenda. If you have any questions regarding this matter, don't hesitate to contact me at (209) 235-0584.

Thank you for your assistance.

Sincerely,

DocuSigned by:
Steve Dial
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STEVE DIAL
Deputy Executive Director/Chief Financial Officer

Attachments:
R-24-24
FY 2024-25 Annual Financial Plan Staff Report
FY 2024-25 Annual Financial Plan Board Summary

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San Joaquin Council of Governments
ANNUAL FINANCIAL PLAN
Fiscal Year 2024/25

Final March 28, 2024

CHAIR
Mayor David Bellinger, City of Escalon

VICE-CHAIR
Councilmember Diane Lazard, City of Lathrop

BOARD OF DIRECTORS

Mayor Lisa Craig	City of Lodi
Mayor Gary Singh	City of Manteca
Mayor Kevin J. Lincoln II	City of Stockton
Vice Mayor Kimberly Warmsley	City of Stockton
Councilmember Michael Blower	City of Stockton
Supervisor Miguel Villapudua	County of San Joaquin
Supervisor Steven Ding	County of San Joaquin
Supervisor Robert Rickman	County of San Joaquin
Mayor Nancy Young	City of Tracy
Mayor Leo Zuber	City of Ripon

EX OFFICIO DIRECTORS

Grace Magsayo, Director	Caltrans District 10
Gary Giovanetti, Director	San Joaquin Regional Transit District
William R. Trezza, Commissioner	Port of Stockton

SUBMITTED BY:

Diane Nguyen
Executive Director

Steve Dial
Deputy Executive Director/
Chief Financial Officer

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San Joaquin Council of Governments
ANNUAL FINANCIAL PLAN
Fiscal Year 2024/2025
Adopted Final March 28, 2024

REVENUES	FY2022-23 Actual	FY 2023-24 Amendment # 3	FY 2024-25 Adopted Final	+/- Change	+/- % Change
Federal Grants	4,351,352	9,703,559	22,768,271	13,064,712.00	134.64%
State Grants	5,290,133	23,257,962	17,269,242	(5,988,720.40)	-25.75%
Local	6,459,552	7,371,221	8,186,088	814,867.00	11.05%
Interest	65,347	20,000	20,000	-	0.00%
Other	113,454	79,600	60,000	(19,600.00)	-24.62%
SJCOG OPERATING REVENUE	16,279,838	40,432,342.40	48,303,601.0	7,871,258.60	19.47%
EXPENDITURES					
Salaries & Benefits	4,910,403	6,281,809.00	6,944,063.00	662,254.00	10.54%
Services & Supplies	1,336,555	1,338,500.00	1,572,500	234,000.00	17.48%
Office Expense	375,730	338,000.00	367,000	29,000.00	8.58%
Communications	58,394	60,000.00	60,000	-	0.00%
Memberships	42,395	45,000.00	45,000	-	0.00%
Maintenance - Equipment	4,859	10,000.00	10,000	-	0.00%
Rents & Leases - Equipment	70,424	131,000.00	131,000	-	0.00%
Transportation,Travel & Training (In & Out of State)	212,295	125,000.00	223,000	98,000.00	78.40%
Publications & Legal Notices	3,929	7,500.00	7,500	-	0.00%
Insurance	204,781	205,000.00	258,000	53,000.00	25.85%
Building Operations & Maintenance	270,868	217,000.00	271,000	54,000.00	24.88%
SJCOG Building Debt Service Principal and Interest	92,880	200,000.00	200,000	-	0.00%
Professional Services	9,171,078	32,431,533.40	39,406,538.00	6,975,004.60	21.51%
Capital Outlay	2,010,716	380,500.00	380,500	-	0.00%
Unallocated/Reserve					
SJCOG OPERATING EXPENDITURES	17,428,751	40,432,342.40	48,303,601.0	7,871,258.60	19.47%

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March 2024
SJCOG Board

STAFF REPORT

SUBJECT: FY 2024-2025 Proposed Annual Financial Plan (AFP)

RECOMMENDED ACTION: That the Board Adopt Resolution 24-24 Approving the FY 2024-2025 Annual Financial Plan

The attached proposed Annual Financial Plan (AFP) provides a detail of revenues and expenditures by cost category and line item. The proposal compares the FY 2024-2025 budget with the most recently adopted FY 2023-2024 AFP. In addition, it compares the proposal to the FY 2022-2023 actual expenditures. The total revenues and expenditures amount to **$48,303,601.00**. The proposed AFP represents the general fund budget for SJCOG. The revenues and expenditures in the AFP are the same as the Overall Work Program (OWP), however, presented in a traditional line-item format compared to the work element format of the OWP.

Below is a summary of revenues and expenditures in the AFP. For details on each of those categories please refer to the attachment.

Readers should note several differences between SJCOG and its member agencies' budgets:

- SJCOG revenue sources are quite different from our member agencies:
- SJCOG employs staff on an at-will basis, vis-à-vis civil service and has its own employee handbook and policies.
- SJCOG has its own Financial and Accounting Policy guiding our financial matters including procurement procedures.
- SJCOG employees are exempted from Social Security except for Medicare.
- As noted below, SJCOG offers a defined contribution retirement plan to its employees. SJCOG has no CalPERS or other post employments benefit obligations except limited sick leave conversion as noted.

Upon adoption by the board, pursuant to the SJCOG Joint Powers Agreement, the AFP will be sent to the member agencies for ratification. Ratification is achieved when a majority of the
member agencies representing 55% of the county population, approve the AFP.

The following assumptions are incorporated in the budget:

1. Work will not begin, and expenses will not be incurred unless anticipated revenue sources are secured.

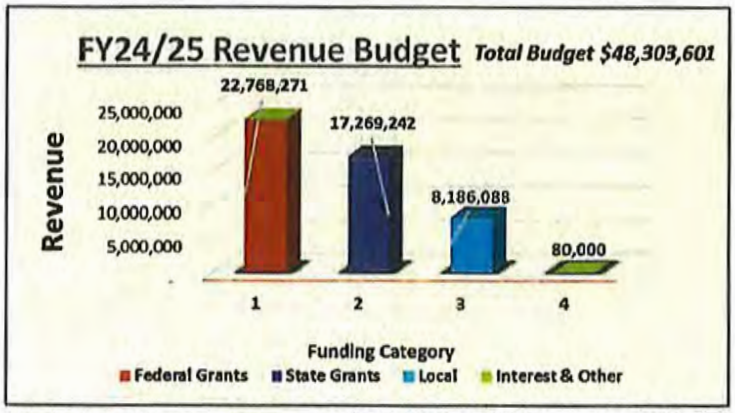
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2. The position of Deputy Director of Finance & Administration is being added to the classification table under group B. This position is being created to backfill the Deputy Executive Director/Chief Financial Officer position once it becomes vacant.
3. The position of Manager of Administration has been vacant for two years and SJCOG does not intend to fill it in the future; therefore, this position is being removed from the classification chart. To meet the evolving needs of SJCOG, the position of Assistant Office Administrator to support the administrative functions of the office is being created. This position will have different responsibilities and a lower pay grade compared to the Manager of Administration. This position is being added with the concurrent elimination of an Administrative Technician position that was left vacant in the last quarter of FY 2024.
4. The budget includes a new longevity incentive program to attract and maintain an experienced and knowledgeable workforce. In addition, long term staff can reach their maximum salary and only receive cost of living adjustments annually. The incentive is structured to recognize and reward the length of staffs' tenure. The longevity pay targets will be 10, 15 and 20 years (of continuous service), with an increase in base salary of 1%, 2% and 3% respectively. Currently, this benefit will apply to eight (8) noncontract employees and the estimated financial impact for FY 2024-2025 is $29,158.00. *This longevity pay does not apply to the contract position of the Executive Director.*
5. The budget includes a pool equaling 7% of current salaries that can be drawn upon for merit-based increases and potential promotions. The full impact of that pool is incorporated into the salary-driven benefits (retirement, Medicare, disability).
6. SJCOG has no significant liability exposure for post-employment benefits.
    a. The employee retirement program is a defined contribution program managed by Mission Square Retirement, formerly the International City Managers Association Retirement Program.
    b. SJCOG employee vacation accruals are capped at two times the individual's annual leave.
    c. Upon separation, an employee can convert accrued sick leave hours to be deposited into a Retirement Health Savings Account to pay for health-related expenses, with the qualification of being 50 years of age or 20 years of SJCOG employment. The conversion is based upon the employee's salary at retirement and alleviates SJCOG of any further liability.

REVENUES

Compared to the current year amended AFP, SJCOG general fund operating revenues are proposed to increase from $40,432,342.40 to $48,303,601.00, an increase of $7,871,258.60

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Federal funding for general fund activities is $22,768,271 or 134.64% higher than FY 2023-24 primarily due to a $15,000,000 Charging and Fueling Infrastructure grant.

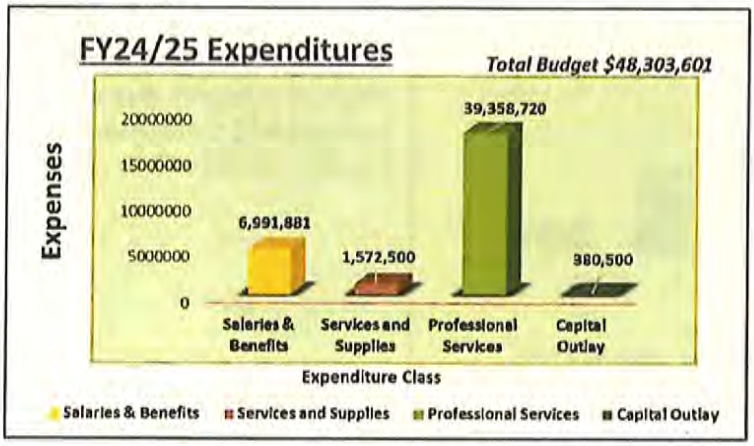
State funding sources are $17,269,242.00 or 25.75% lower primarily due to:

- $1,224,892 drawdown on Regional Early Action Planning (REAP) 1.0
- $493,526 drawdown on REAP 2.0
- Consumption of $2,368,883.78 from the state grant for Sustainable Transportation Equity Project (STEP).
- $950,000 drawdown on Regional Climate Collaborative grant.
- $787,571 drawdown on Clean Mobility Options grant.
- $1,338,147.75 drawdown on prior year's Freeway Service Patrol funding.
- $1,084,044 is available for FY 24-25 future years of Freeway Service Patrol funding.
- $264,199.75 drawdown has occurred on three years of Senate Bill 1 (SB1) Sustainable Transportation Planning Grants offset by a FY 24-25 allocation of $355,000.
- $290,544.12 drawdown on prior year's State Transportation Improvement Program (STIP) for planning offset by FY 24-25 allocation of $290,000.

Local revenues are higher by $814,867 or 11.05% due to increased sales tax receipts on Local Transportation Fund by $96,018, Measure K by $605,849, Sacramento Association of Governments of $200,000, offset by an $87,000 decrease in donations.

EXPENDITURES

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Salaries and Benefits are anticipated to increase by $662,254 or 10.54% from $6,281,809 to $6,944,063 compared to the FY 23-24 amended budget. The budget includes the removal of the Manager of Administration position and the addition of the position of Assistant Office Administrator (to replace a recently vacant Administrative Technician position so there are no changes to overall staffing numbers). The new position is at a lower pay grade than that of the Manager. It also includes $29,158.00 for longevity pay and $343,863.00 or 7.0% of total salaries pool for merit-based raises. The salary-driven benefits adjust accordingly.

Services and Supplies are proposed to increase by $136,000.
Computer software, supplies, postage, and licensing is increasing by $29,000 to support both a return to the office, working remotely and heightened cybersecurity. Liability insurance is increasing by $53,000 due to increased premiums. Building maintenance is increasing by $54,000 due to increased utilities, security upgrades, and vandalism repairs.

Transportation, Travel, and Training increase by $98,000.
With several new board members and new employees, more training expenses are expected. This budget has increased by $98,000 up to $223,000. This will help to support such activities as the annual One Voice® trip.

Professional Services – Increases $6,975,004.60 from FY 23-24 $32,431,533.40 to $39,406,538.00.
There are consumptions of various grants and new funding sources, which directly correlate to professional services. For example, the prior years' SB-1 Sustainable Communities grants used $222,530.00 and we are budgeting the new SB-1 allocation of $355,000.00. The I-205 Managed Lanes Widening project consumed $1,800,000.00 and we are budgeting $12,452,108.00 for the Clean Fuels Infrastructure project. The Sustainable Transportation Equity Project (STEP) has consumed $2,168,883.00 and the CMO Voucher is program drew down by $510,566.00. The San Joaquin Regional Climate Collaborative used $850,000.00 while the Regional Early Action Plan (REAP 1.0) expended $909,892.00.

Position Classification and Salary Schedule
Per board policy, the salary ranges at both the minimum and maximum levels and are adjusted by the CPI change.

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FISCAL IMPACT

All revenues in the AFP are secured and available. The Annual Financial Plan is required to be adopted by the Board of Directors prior to April 1 each year and disseminated to the member agencies for ratification. The Annual Financial Plan is the traditional line-item budget identifying estimated revenues and expenditures for the fiscal year. The Annual Financial Plan is complementary to the Overall Work Program.

RECOMMENDATION

That the Board adopt Resolution 24-24 approving the FY 2024-25 Annual Financial Plan.

Prepared by: Steve Dial, Deputy Executive Director/CFO, and Grace Orosco, Manager of Finance

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RESOLUTION
SAN JOAQUIN COUNCIL OF GOVERNMENTS

R-24-24

RESOLUTION APPROVING THE ADOPTION OF THE 2024-2025
ANNUAL FINANCIAL PLAN
FOR THE SAN JOAQUIN COUNCIL OF GOVERNMENTS

WHEREAS, the San Joaquin Council of Governments is required by the Joint Powers Agreement to adopt a budget (Annual Financial Plan) annually, and

WHEREAS, the adopted budget is to be sent to the member agencies for ratification.

NOW THEREFORE BE IT RESOLVED, that the San Joaquin Council of Governments adopts the FY 2024-2025 Annual Financial Plan and directs the Executive Director to transmit it to the member agencies for ratification.

PASSED AND ADOPTED this 28th day of March 2024 by the following vote of the San Joaquin Council of Governments, to wit:

AYES: Mayor Bellinger, Escalon; Councilmember Blower, Stockton; Mayor Craig, Lodi; Supervisor Ding, SJ County; Mayor Lincoln, Stockton; Supervisor Rickman, SJ County; Mayor Singh, Manteca; Supervisor Villapudua, SJ County; Vice Mayor Warmsley, Stockton; Mayor Young, Tracy; Mayor Zuber, Ripon.

NOES: None.

ABSENT: Councilmember Lazard, Lathrop.

DAVID BELLINGER
Chair

AMENDED AND RESTATED JOINT POWERS AGREEMENT ESTABLISHING THE SAN JOAQUIN COUNCIL OF GOVERNMENTS

THIS AGREEMENT is entered into as of June 24, 2010, by and between the incorporated cities of Escalon, Manteca, Lathrop, Lodi, Ripon, Stockton, and Tracy, all municipal corporations and the County of San Joaquin, a political subdivision of the State of California. The municipal corporations are sometimes referred to individually as "City" and collectively as "Cities." The County of San Joaquin is sometimes referred to as "County." The Cities and County are sometimes referred to individually as a "Party" and collectively as "Parties."

W I T N E S S E T H:

1. RECITALS.

1.1. Common Power. Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the California Government Code authorizes two (2) or more public agencies to jointly exercise any power common to them.

1.2. Common Authority. The City of Stockton, by virtue of its charter and the Cities of Escalon, Lathrop, Lodi, Manteca, Ripon, Tracy, and the County of San Joaquin, by virtue of California Government Code Section 65600 through 65604, inclusive, possess in common the authority:

1.2.1. To study, discuss, and develop solutions to area-wide problems of direct concern to the performance of their constitutional and statutory functions and to establish an area planning organization and expend public funds for these purposes.

1.2.2. To do all acts necessary to participate in federal programs and receive federal funds for health, education, welfare, public works, and community improvement activities, including contracting and cooperating with other agencies.

1.3. Orderly Development. The people residing within the incorporated and unincorporated areas of San Joaquin County have an interest in the orderly development of their communities.

1.4. Independent Agency. The continued growth and extensive development within the incorporated and unincorporated areas of San Joaquin County evidenced a need to create a wholly independent regional agency capable of dealing with area-wide issues and problems.

1.5. Predecessor. The foregoing need led to the creation and establishment of the SAN JOAQUIN COUNCIL OF GOVERNMENTS on July 1, 1970.

1.6. Effects. The establishment of SAN JOAQUIN COUNCIL OF GOVERNMENTS (hereinafter referred to as "SJCOG") has:

1.6.1. Provided a forum to study and develop solutions to area-wide problems of mutual concern to the various governmental entities in San Joaquin County.

1.6.2. Provided efficiency and economy in governmental operations through the cooperation of member governments and the pooling of common resources.

1.6.3. Provided for the establishment of an agency responsible for identifying, planning, and developing solutions to regional problems requiring multijurisdictional cooperation.

1.6.4. Provided for the establishment of an agency capable of developing regional plans and policies and performing area-wide planning duties.

1.6.5. Facilitated cooperation among and agreement between local governmental bodies for specific purposes, interrelated developmental actions, and for the adoption of common policies with respect to issues and problems which are common to its members.

1.7. Amendment. The Cities of Escalon, Lathrop, Lodi, Manteca, Ripon, Stockton, and Tracy and the County of San Joaquin, at this time, desire to amend that certain joint powers agreement of March 1, 1991, as subsequently amended on December 7, 2000, and December 8, 2005, and enter into this Amended and Restated Agreement in order to establish the duties and powers of the SAN JOAQUIN COUNCIL OF GOVERNMENTS.

1.8. Transportation Authority. The County designated the SAN JOAQUIN COUNCIL OF GOVERNMENTS as the San Joaquin County Transportation Authority.

NOW, THEREFORE, it is mutually agreed as follows:

2. STATEMENT OF PURPOSE

The member Cities and the County have joined together to establish SJCOG for the following reasons:

2.1. Area-Wide Opportunities. A number of opportunities and issues within the area are either area-wide in nature or have area-wide aspects or implications, including, but not limited to transportation, air quality, land use, economic development, job creation, and the reduction of unemployment, the protection of agricultural productivity, and multi-species habitat management issues.

2.2. Need. There is a demonstrated need for the establishment of an organization of the Cities and the County within the area to provide a forum for study and development of recommendations to area-wide problems of mutual interest and concern to the Cities and the County and to facilitate the development of policies and action recommendations for the solution of problems.

2.3. Independent Review. The Cities and the County wish to create an area-wide organization which will independently review and make comments to the member Cities and the County regarding projects which receive federal or state funding.

2.4. Elected Officials. The Cities and the County believe that an area-wide planning organization, governed solely by elected officials from the Cities and the County, with a staff independent of any City or the County, is best suited for area-wide planning and review.

2.5. Area-Wide Problems. The Cities and the County, working together through this organization, can exercise initiative, leadership, and responsibility for solving area-wide problems.

2.6. Allocation of Resources. The Cities and the County share common area-wide problems and issues, and at the same time, have different needs and priorities and are affected in different ways by these common area-wide problems and issues. The resources of SJCOG should be allocated in a manner so that the needs of any portion of the area are not ignored, recognizing, however, that resources are limited and that not all needs can be met, nor all portions of the area assisted equally at any one time.

3. ESTABLISHMENT OF SJCOG

3.1. Continued Public Entity. Upon the effective date of this Agreement, the Parties hereto hereby continue the SAN JOAQUIN COUNCIL OF GOVERNMENTS, as a public entity separate and distinct from the Parties, as the agent to exercise the common powers provided for in this Agreement and to administer or otherwise execute this Agreement.

3.2. Functions. SJCOG is the successor entity to the Council Of Governments established in 1970, insofar as its predecessor entity has been designated, and insofar as legally authorized, it shall continue to function as:

3.2.1. The Area-wide Planning Organization (APO) as designated by the U.S. Department of Housing and Urban Development (HUD).

3.2.2. The Metropolitan Planning Organization (MPO) as designated by the U.S. Department of Transportation; pursuant to Title 23 of United States Code, Section 134 (23 USC 134) and Title 49 of the United States Code, Section 5303(b)(2).

3.2.3. The Regional Transportation Planning Agency (RTPA) as designated by the Secretary of Business and Transportation Agency of the State of California; pursuant to California Government Code Sections 65080, et seq.

3.2.4. The Airport Land Use Commission (ALUC) as designated by the Board of Supervisors of the County of San Joaquin and recognized by the State of California; pursuant to California Public Utilities Code, Section 21670(b).

3.2.5. The regional planning representative, as designated by the Parties hereto, for the purpose of acting upon any appropriate proposals which may be presented to the SJCOG Board of Directors for consideration, or which the SJCOG Board of Directors may elect to take up, and for transmission of proposed recommendations to Federal, State, and local agencies, including, but not limited to the member entities of SJCOG.

3.2.6. The San Joaquin County Transportation Authority as designated by the Board of Supervisors of San Joaquin County pursuant to Section 180000 of the California Public Utilities Code.

3.2.7. The Census Data Center as designated by the Bureau of the Census.

3.2.8. The Congestion Management Agency for San Joaquin County pursuant to California Government Code Sections 65088 and 65089 and Title 23 of the United States Code Section 134.

3.2.9. The Federal Clearinghouse to review federal grant applications under Section 6506 of Title 23 of the United States Code Annotated.

4. COOPERATION

The Parties to this Agreement pledge full cooperation and agree to assign representatives to serve as official members of the SJCOG Board or any committee or subcommittee thereof, which members shall act for and on behalf of their Cities or the County in any and all matters which shall come before SJCOG, subject to any necessary and legal approvals of their acts by the legislative bodies of the Cities and the County.

5. MEMBERSHIP

5.1. Board. SJCOG shall be governed by a Board of Directors, herein referred to as the SJCOG Board, which shall be comprised of:

5.1.1. One (1) member from each of the City Councils of Escalon, Lathrop, Lodi, Manteca, Ripon, and Tracy (with the Mayor an eligible member).

5.1.2. Three (3) members from the Stockton City Council (with the Mayor an eligible member).

5.1.3. Three (3) members of the Board of Supervisors of the County of San Joaquin.

5.1.4. Ex-officio non-voting members acting in an advisory capacity shall be:

5.1.4.1. The District Director from the State Department of Transportation, District X.

5.1.4.2. A member of the San Joaquin Regional Transit District Board of Directors.

5.1.4.3. A member of the Stockton Port District Board of Commissioners.

5.2. Appointment. Members shall be appointed by the governing body of each Party and shall serve at the pleasure of their appointing body or until their respective successors are appointed. Termination of a Party's mayor, councilperson, or supervisor status shall constitute automatic termination of that person's membership on the SJCOG Board. The appointing body of a Party may appoint a new member or alternate immediately upon any vacancy in the Party's representation.

5.3. Alternates. The governing body of each Party shall appoint alternate members to the SJCOG Board. During the absence of a regular member from any meeting of the SJCOG Board, the alternate shall be entitled to participate in all respects as a regular member of the SJCOG Board. All members and alternates shall be duly elected representatives of their respective City Councils or Board of Supervisors.

5.4. Quorum. A quorum for conducting all matters of business shall be seven (7) members. The affirmative vote of a least a majority of the quorum present shall be required for the approval of any matter.

5.5. Rules. The SJCOG Board shall adopt rules of procedure and shall establish a time and place for regular SJCOG meetings. At any meeting the SJCOG Board may consider matters it deems proper for carrying out the purposes of this

Agreement, subject to the provisions of California Government Code Section 54950 et seq.

5.6. Executive Committee. An Executive Committee shall be constituted from among the representatives of the Parties. The Executive Committee shall consist of five (5) members of the SJCOG Board elected by the SJCOG Board. One (1) member of the SJCOG Board shall be elected by the SJCOG Board to serve as the alternate member of the Executive Committee. During the absence of a regular member from any meeting of the Executive Committee, the alternate shall be entitled to participate in all respects as a regular member of the Executive Committee. The Chairperson of SJCOG shall be the Chairperson of the Executive Committee and shall serve on it as the representative of his/her jurisdiction. The Executive Committee shall have powers as are not inconsistent with this Agreement and as delegated to it by the SJCOG By-laws or the SJCOG Board.

5.7. Bylaws. The Bylaws of the SJCOG shall be those adopted following the adoption of this Amended and Restated Agreement by the SJCOG Board, and may thereafter be amended from time to time by the SJCOG Board.

6. POWERS AND FUNCTIONS

6.1. Specific Functions. SJCOG shall have the common power of the Parties hereto to establish, administer and operate area-wide programs, and in the exercise of that power, SJCOG is authorized in its own name to:

6.1.1. Employ an executive director as the chief administrative officer of the agency.

6.1.2. Employ agencies and employees and contract for professional services.

6.1.3. Make and enter into contracts.

6.1.4. Operate transportation and other services and facilities.

6.1.5. Undertake the planning, design and environmental clearance of transportation and other projects.

6.1.6. Cooperate with other agencies, counties and other local public agencies and participate in joint projects as necessary.

6.1.7. Acquire, hold, and convey real and personal property.

6.1.8. Incur debts, obligations, and liabilities.

6.1.9. Accept contributions, grants, or loans from any public or private agency or individual, or the United States or any department, instrumentality, or agency thereof, for the purpose of financing its activities.

6.1.10. Invest money that is not needed for immediate necessities, as the Board determines advisable, in the same manner and upon the same conditions as other local entities in accordance with Section 53601 of the California Government Code.

6.1.11. Have appointed board members and ex-officio board members serve with or without compensation from the SJCOG.

6.1.12. Sue and be sued, in its own name only, but not in the name or stead of any member entity.

6.1.13. Make loans to Parties for projects approved by the SJCOG Board on terms, and interest rates, and with security, as may be established by the SJCOG Board.

6.1.14. To operate, either directly by SJCOG employees, or by independent contractors, programs approved by the SJCOG Board, such as, but not limited to, ridesharing programs, freeway service patrol programs, and habitat conservation programs, including the maintenance and operation of habitat conservation lands.

6.1.15. To provide services, including operational services, outside San Joaquin County, if fully compensated for the services, or in cooperative projects involving other public agencies.

6.1.16. To do all other acts reasonable and necessary to carry out the purpose of this Agreement.

6.2. Limitation. The powers to be exercised by SJCOG are subject to the restrictions upon the manner of exercising the powers as are imposed upon the County of San Joaquin in the exercise of similar powers.

6.3. Funds. SJCOG shall be held strictly accountable for all funds received, held and disbursed by it.

7. EXECUTIVE DIRECTOR

7.1. Powers and Duties. The executive director shall be selected by, and shall serve at the pleasure of and upon the terms prescribed by the SJCOG Board. The powers and duties of the executive director are:

7.1.1. To serve as the chief administrative officer of SJCOG and to be responsible to the SJCOG Board for the proper administration of all SJCOG affairs.

7.1.2. To appoint, supervise, suspend, discipline or remove SJCOG employees subject to those policies and procedures, from time to time, adopted by the SJCOG Board.

7.1.3. To supervise and direct the preparation of annual budget for the SJCOG and be responsible for its administration after adoption by the SJCOG Board.

7.1.4. To formulate and present to the SJCOG Board plans for SJCOG's activities and the means to finance them.

7.1.5. To supervise the planning and implementation of all SJCOG's activities.

7.1.6. To attend all meetings of the SJCOG Board and act as the secretary to the SJCOG Board.

7.1.7. To prepare and submit to the SJCOG Board periodic financial reports and, as soon as practicable after the end of each fiscal year, an annual report of the activities of SJCOG for the preceding year.

7.1.8. To have custody and charge of all SJCOG property other than money and securities.

7.1.9. To perform other duties as the SJCOG Board may require in carrying out the policies and directives of the SJCOG Board.

8. FINANCING

8.1. Fiscal Year. The SJCOG fiscal year shall be July 1 through June 30.

8.2. Annual Budget. On or before April 1st, the SJCOG shall adopt a budget for the ensuing fiscal year to commence on July 1, and shall submit the same for ratification to the governing body of each Party. Upon ratification of the proposed budget of the legislative bodies of the Parties, and representing at least 55% of the population within the County, the budget shall serve as the approved budget for the fiscal year in carrying out the tasks within the approved work program for the year. Any amendments to the budget shall be approved by the SJCOG Board.

8.3. Support by Parties. Any Party to this Agreement, in the exercise of the reasonable discretion of its governing body, may, upon mutual consent of the Parties, provide support for the SJCOG, its staff, and its professional consultants, including providing the quarters, janitorial services and maintenance, supplies, printing and duplication, postage, telephone services, transportation services, and professional and technical assistance as may be necessary to enable SJCOG to perform its responsibilities. All assistance shall be provided on an at-cost basis.

8.4. Eminent Domain and Taxes. Under no circumstances shall the SJCOG be empowered to exercise the right of eminent domain nor to levy taxes except as provided in Section 8.5 below. SJCOG shall apply for available State or Federal support funds, and shall make new and additional applications from time to time as appropriate. If deemed necessary, the SJCOG Board may also establish and collect filing and processing fees in connection with matters to be considered by it.

8.5. Measure K. In its role as the San Joaquin County Transportation Authority, SJCOG shall be empowered to levy and expend tax revenues authorized in San Joaquin County Transportation Authority Ordinance #91-01 and approved as Measure K on November 6, 1990 by the voters of San Joaquin County. This empowerment shall exist so long as San Joaquin County Transportation Authority Ordinance #91-01 is in effect and shall terminate when all San Joaquin County Transportation Authority Ordinance #91-01 taxes have been levied and expended.

9. TREASURER

9.1. Treasurer. The SJCOG Chief Financial Officer shall be the Treasurer of SJCOG.

9.2. Duties. The Treasurer shall:

9.2.1. Receive and receipt all money of SJCOG and place it in a designated financial institution approved by the SJCOG Board of Directors to the credit of SJCOG.

9.2.2. Be responsible upon his/her official bond for the safekeeping and disbursement of all SJCOG money held by the Treasurer.

9.2.3. Pay, when due, out of money of SJCOG, all sums payable on outstanding bonds and coupons of SJCOG.

9.2.4. Pay any sums due from SJCOG, from SJCOG's funds or any portion thereof, upon warrants of the SJCOG Auditor - Controller designated herein.

9.2.5. Verify and report in writing as soon as possible after the first day of July, October, January, and April of each year to SJCOG the amounts of monies the Treasurer holds for SJCOG, the amount of receipts since the Treasurer's last report, and any interest accrued to those funds.

10. AUDITOR - CONTROLLER

10.1. Auditor - Controller. The SJCOG Chief Financial Officer shall be the Auditor - Controller for the SJCOG.

10.2. Warrants. The Auditor - Controller shall draw warrants to pay demands against SJCOG when the demands have been approved by the SJCOG Board and/or the SJCOG Executive Director. The Auditor - Controller shall be responsible on his/her official bond for the Auditor - Controller's approval of disbursement of SJCOG money.

10.3. Records. The Auditor - Controller shall keep and maintain records and books of account on the basis of generally accepted accounting practices. The books of account shall include records of assets, liabilities, and contributions made by each Party to this Agreement.

10.4. Audit. The Auditor - Controller shall make available all financial records of SJCOG to a certified public accountant or public accountant contracted by SJCOG to make an annual audit of the accounts and records of SJCOG. The minimum requirements of the audit shall be those prescribed by the State Controller for special districts under Section 26909 of the Government Code and shall conform to generally accepted auditing standards.

11. BOND REQUIREMENTS

The executive director and other employees of SJCOG as may be designated by the SJCOG Board, shall file with SJCOG an official fidelity bond in a penal sum determined by the Board as security for the safekeeping of SJCOG property entrusted to the employee. Premiums for the bonds shall be paid by SJCOG.

12. PARTIES' LIABILITY

The debts, liabilities, and obligations of SJCOG shall not be debts, liabilities or obligations of the Parties to this Agreement either singly or collectively.

13. ASSIGNABILITY

With the approval of, and upon the terms agreed upon by, the governing body of each Party to this Agreement, all or any of the rights and property subject to this Agreement may be assigned to further the purpose of this Agreement. Provided, however, no right or property of SJCOG shall be assigned without compliance with all conditions imposed by any state or federal entity from which SJCOG has received financial assistance.

14. WITHDRAWAL OF A PARTY

14.1. Withdrawal Procedure. A Party to this Agreement may, at any time, withdraw from SJCOG, following 90 days notice to SJCOG and all other Parties of SJCOG, by resolution of intent to withdraw adopted by the governing board of the withdrawing Party.

14.2. Obligations. Upon the effective date of the withdrawal the Party shall cease to be bound by this Agreement, but shall continue to provide financial support through the approved percentage of planning funds provided COG, as Transportation Planning Agency under the provisions of Section 99233.2 of the Transportation Development Act. SJCOG assets representing any accumulated capital contribution of the withdrawing Party shall remain subject to SJCOG control, depreciation and use without compensation to the withdrawing Party until termination of this Agreement and distribution of SJCOG assets.

15. TERMINATION AND DISSOLUTION

15.1. No Specific Term. This Agreement shall continue in force without specific term.

15.2. Disestablishment. If, at any time, those Cities and County which are members of SJCOG contain less than 55% of the population residing within the area of San Joaquin County, based upon the latest available population estimates by the California Department of Finance, and there are less than a majority of local governments remaining as Parties of SJCOG, SJCOG shall be deemed disestablished and this Agreement shall cease to be operative except for the purpose of payment of any existing obligations.

15.3. Distribution. If this Agreement is terminated, all real and personal property owned by SJCOG shall be distributed to the Federal, State, or local funding agency or Party to this Agreement that supplied the property or whose funding provided for the acquisition of the property unless other distribution is provided by law. Should the origin of any real or personal property be undeterminable, that property shall be disbursed to the Parties to this Agreement in proportion to the size of the jurisdiction as delineated in the latest California Department of Finance estimate of population. This Agreement shall not terminate until all property has been distributed in accordance with this provision.

16. RETURN OF SURPLUS FUNDS

Upon termination of this Agreement, any surplus money on hand shall be returned to the Federal, State, or local agency or the Party to this Agreement that provided the funds.

17. ADDITIONAL MEMBERS

In addition to the Cities identified in this Agreement, any city within San Joaquin County which may hereafter be incorporated and which desires to participate in the activities of SJCOG may do so by executing this Agreement without the prior approval or ratification of the named Parties to this Agreement and shall thereafter be a Party to this Agreement and be bound by all terms and conditions of this Agreement as of the date it executes this Agreement.

18. SUCCESSORS

This Agreement shall be binding upon and shall inure to the benefit of any successors to or assigns of the Parties.

19. SEVERABILITY

Should any part, term, portion, or provision of this Agreement be finally decided to be in conflict with any law of the United States or the State of California, or otherwise be unenforceable or ineffectual, the validity of the remaining parts, terms, portions, or provisions shall be deemed severable and shall not be affected thereby, provided the remaining portions or provisions can be construed in substance to constitute the Agreement which the Parties intended to enter into in the first instance.

20. AMENDMENTS

This Agreement may be amended only after Parties who represent both a majority of the Parties and at least 55% of the population of San Joaquin County, based upon the latest population estimates of the California Department of Finance, approve the amendments.

21. COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which when executed will be deemed to be an original and all of which, taken together, will be deemed to be one and the same instrument.

22. TITLES AND HEADING.

The Section titles and the heading of this Agreement are for convenience only and shall not be used in interpreting this Agreement.

23. EFFECTIVE DATE OF AGREEMENT

This Amended and Restated Agreement shall become effective when the majority of the Cities and County representing more than 55% of the population of the County based upon the latest population estimates of the California Department of Finance, sign this Agreement. The population of the County for this purpose is the population of the unincorporated area.

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IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their respective offices as of:

APPROVED AS TO FORM

By: Dan M. Sepulveda

Title: City Attorney

ATTEST: Lisa Nebe
City Clerk

MAYOR Walt Murken

CITY OF ESCALON

APPROVED AS TO FORM:

By:_____

Title:_____

ATTEST:_____
City Clerk

_____

MAYOR Kristy Sayles

CITY OF LATHROP

APPROVED AS TO FORM:

By:_____

Title:_____

ATTEST:_____
City Clerk

_____

MAYOR Paul Katzakian

CITY OF LODI

*** Signatures Continued on Next Page ***

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their respective offices as of:

APPROVED AS TO FORM

By:_____

Title:_____

ATTEST:_____
City Clerk

_____

MAYOR Walt Murken

CITY OF ESCALON

APPROVED AS TO FORM:

By: S Zuniga

Title: City Attorney

ATTEST: Misty Ortiz
City Clerk

Kristy Sayles

MAYOR Kristy Sayles

CITY OF LATHROP

APPROVED AS TO FORM:

By:_____

Title:_____

ATTEST:_____
City Clerk

_____

MAYOR Paul Katzakian

CITY OF LODI

*** Signatures Continued on Next Page ***

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their respective offices as of:

APPROVED AS TO FORM

By:_____

Title:_____

ATTEST:_____
City Clerk

_____

MAYOR Walt Murken

CITY OF ESCALON

APPROVED AS TO FORM:

By:_____

Title:_____

ATTEST:_____
City Clerk

_____

MAYOR Kristy Sayles

CITY OF LATHROP

APPROVED AS TO FORM:

By: _____

Title: City Attorney

ATTEST: _____
City Clerk

_____

MAYOR PHIL KATZAKIAN

CITY OF LODI

*** Signatures Continued on Next Page ***

APPROVED AS TO FORM:

By: _____

Title: City Attorney

ATTEST: _____
City Clerk

_____

MAYOR Willie W. Weatherford

CITY OF MANTECA

APPROVED AS TO FORM:

By: _____

Title: _____

ATTEST: _____
City Clerk

_____

MAYOR Chuck Winn

CITY OF RIPON

APPROVED AS TO FORM:

By: _____

Title: _____

ATTEST: _____
City Clerk

_____

MAYOR Ann Johnston

CITY OF STOCKTON

APPROVED AS TO FORM:

By: _____

Title: _____

ATTEST: _____
City Clerk

_____

MAYOR Brent H. Ives

CITY OF TRACY

APPROVED AS TO FORM:

By:_____

Title:_____

ATTEST:_____
City Clerk

_____

MAYOR Willie W. Weatherford

CITY OF MANTECA

APPROVED AS TO FORM:

By: Tom Terpstra

Title: City Attorney

ATTEST: Lynette Van Laar
City Clerk

MAYOR Chuck Winn

CITY OF RIPON

APPROVED AS TO FORM:

By:_____

Title:_____

ATTEST:_____
City Clerk

_____

MAYOR Ann Johnston

CITY OF STOCKTON

APPROVED AS TO FORM:

By:_____

Title:_____

ATTEST:_____
City Clerk

_____

MAYOR Brent H. Ives

CITY OF TRACY

APPROVED AS TO FORM:

By:_____ _____

Title:_____ MAYOR Willie W. Weatherford

ATTEST:_____ CITY OF MANTECA
City Clerk

APPROVED AS TO FORM:

By:_____ _____

Title:_____ MAYOR Chuck Winn

ATTEST:_____ CITY OF RIPON
City Clerk

APPROVED AS TO FORM:

By:_____ Ann Johnston

Title: C.A. Atty MAYOR Ann Johnston

ATTEST: _____ CITY OF STOCKTON
City Clerk

APPROVED AS TO FORM:

By:_____ _____

Title:_____ MAYOR Brent H. Ives

ATTEST:_____ CITY OF TRACY
City Clerk

APPROVED AS TO FORM:

By:_____ _____

Title:_____ MAYOR Willie W. Weatherford

ATTEST:_____ CITY OF MANTECA
City Clerk

APPROVED AS TO FORM:

By:_____ _____

Title:_____ MAYOR Chuck Winn

ATTEST:_____ CITY OF RIPON
City Clerk

APPROVED AS TO FORM:

By:_____ _____

Title:_____ MAYOR Ann Johnston

ATTEST:_____ CITY OF STOCKTON
City Clerk

APPROVED AS TO FORM:

By: David B Sodergren Brent H. Ives

Title: City Attorney MAYOR Brent H. Ives

ATTEST: Sandra Edwards CITY OF TRACY
City Clerk

APPROVED AS TO FORM:

By: _____

Title: _____

ATTEST: _____
County Clerk

_____

CHAIRMAN Carlos Villapudia

SAN JOAQUIN COUNTY

Amended March 1, 1991
Amended December 7, 2000
Amended December 8, 2005
Amended June 24, 2010

COG
Attn: Andrew
Chelsey

Before the Board of Supervisors

County of San Joaquin, State of California

B-10- 10-777

MOTION: **Ruhstaller/Vogel/4**

San Joaquin Council of Governments
Amended Joint Powers Agreement

THIS BOARD OF SUPERVISORS DOES HEREBY approve the request from the San Joaquin Council of Governments (SJCOG) that the Board ratify its adopted Joint Powers Agreement (JPA). **(A copy of which is on file with the Clerk of the Board.)**

I HEREBY CERTIFY that the above order was passed and adopted on August 3, 2010 by the following vote of the Board of Supervisors, to wit:

AYES: **Bestolarides, Vogel, Ruhstaller, Villapudua**

NOES: **None**

ABSENT: **Ornellas**

ABSTAIN: **None**

LOIS M. SAHYOUN
Clerk of the Board of Supervisors
County of San Joaquin
State of California

COB (12/87)

10-0310

Resolution No. _____

STOCKTON CITY COUNCIL

APPROVE AMENDED AND RESTATED JOINT POWERS AGREEMENT WITH THE SAN JOAQUIN COUNCIL OF GOVERNMENTS

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. The City Council approves the Amended and Restated Joint Powers Agreement with the San Joaquin Council of Governments ("Agreement"), pursuant to COG's Joint Powers Agreement.

2. The City Council authorizes the Mayor to execute the Agreement, a copy of which is marked Exhibit A and incorporated by this reference.

PASSED, APPROVED and ADOPTED SEP 28 2010.

Ann Johnston

ANN JOHNSTON, Mayor
of the City of Stockton

ATTEST:

KATHERINE GONG MEISSNER
City Clerk of the City of Stockton

::ODMA\GRPWISE\COS.CM.CM_LIBRARY:84657.1

City Atty
Review _____

APPROVED AS TO FORM AND LEGALITY

_____
CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION 2024 _____

RATIFYING THE SAN JOAQUIN COUNCIL OF GOVERNMENTS ANNUAL FINANCIAL PLAN FOR FISCAL YEAR 2024-2025, AS REQUIRED BY THE JOINT POWERS AGREEMENT BETWEEN SJCOG AND ITS MEMBER AGENCIES

WHEREAS, The San Joaquin Council of Governments (SJCOG) is a joint powers authority comprised of the County of San Joaquin and the cities of Stockton, Lodi, Manteca, Tracy, Ripon, Escalon, and Lathrop; and

WHEREAS, The Joint Powers Agreement between the SJCOG and its member agencies dated June 24, 2010 requires the Annual Financial Plan to be ratified by the governing body of each member agency; and

WHEREAS, The Annual Financial Plan is a line-item budget identifying estimated revenues and expenditures for the fiscal year; and

WHEREAS, The SJCOG Board convened and approved the Annual Financial Plan on March 28, 2024; and

WHEREAS, The Tracy City Council considered the Annual Financial Plan at its meeting of May 21, 2024; now, therefore, be it

RESOLVED: That City Council of the City of Tracy hereby approves and ratifies the San Joaquin Council of Governments (SJCOG) Annual Financial Plan for Fiscal Year 2024-2025 attached hereto as Attachment 1, as required by the Joint Powers Agreement between SJCOG and its member agencies.

* * * * * * * * * * * * * *

The foregoing Resolution 2024-_____ was adopted by the Tracy City Council on May 21, 2024, 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

ATTACHMENTS

1 - FY24-25 SJCOG Annual Financial Plan

DocuSign Envelope ID: 3433DEA0-4B18-4190-BE15-A8077748EE36

ATTACHMENT 1

SAN JOAQUIN COUNCIL OF GOVERNMENTS

555 E. Weber Avenue • Stockton, California 95202 • P 209.235.0600 • F 209.235.0438 • www.sjcog.org

David Bellinger
CHAIR
Diane Lazard
VICE-CHAIR
Diane Nguyen
EXECUTIVE DIRECTOR
Member Agencies
CITIES OF
ESCALON,
LATHROP,
LODI,
MANTECA,
RIPON,
STOCKTON,
TRACY,
AND
THE COUNTY OF SAN
JOAQUIN

April 2, 2024

Midori Lichtwardt
City of Tracy
333 Civic Center Plaza
Tracy, CA 95376

Dear Ms. Lichtwardt:

On March 28, 2024 the SJCOG Board adopted the Annual Financial Plan for FY 2024-25. Attached is the board staff report as well as a copy of the adopting resolution. Pursuant to SJCOG's Joint Powers Agreement, following adoption of the budget by the SJCOG Board, it is to be delivered to member agencies for ratification by each governing body. Approval by a majority of the governing bodies representing 55% or more of the county's population is considered ratification.

Therefore, SJCOG requests you place SJCOG's Annual Financial Plan for FY 2024-25 on a forthcoming agenda prior to June 30, 2024, for ratification.

The Annual Financial Plan implements the FY 2024-25 Overall Work Program (OWP) that was also adopted by the SJCOG Board on March 28, 2024.

The attached excerpt of the Annual Financial Plan (AFP) provides a summary of revenues and expenditures by cost category and line item comparing the approved FY 2024-25 budgets with the current year (FY 2023-24) adopted budget, as most recently amended, along with FY 2022-23 actual expenditures. Revenues and expenditures total **$48,303,601.00**. The approved AFP represents the general fund budget for SJCOG. The revenues and expenditures in the AFP are the same as the Overall Work Program (OWP), however, presented in a traditional line-item format compared to the work element format of the OWP.

Readers should note several differences between SJCOG and its member agencies' budgets:

- SJCOG revenue sources are quite different from our member agencies.
- SJCOG employs staff on an at-will basis, vis-à-vis civil service and has its own employee handbook and policies.
- SJCOG has its own Financial and Accounting Policy guiding our financial matters including procurement procedures.
- SJCOG employees are exempted from Social Security except for Medicare.
- As noted below, SJCOG offers a defined contribution retirement plan to its employees. SJCOG has no CalPERS or post employments benefit obligations except limited sick leave conversion as noted.

The following assumptions are incorporated in the budget:

1. Work will not begin, and expenses will not be incurred unless anticipated revenue sources are secured.
2. The AFP anticipates SJCOG to be fully staffed. The budget includes a 7.00 % pool that can be drawn upon for merit-based increases and potential promotions. The full impact of that pool is incorporated into the salary-driven benefits (retirement, Medicare, disability).
3. SJCOG has no significant liability exposure for post-employment benefits.
    a. The employee retirement program is a defined contribution program managed by the International City Managers Association Retirement Program (Mission Square Retirement).
    b. SJCOG employee vacation accruals are capped at two times the individual's annual leave.
    c. Upon separation with 50 years of age or 20 years of SJCOG employment, an employee can convert accrued sick leave hours to be deposited into a Retirement Health Savings Account to pay for health-related expenses. The conversion is based upon the employee's salary at retirement.

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SJCOG staff would be pleased to appear before your policymakers to answer any questions they might have regarding this matter. **We request ratification prior to June 30, 2024.** Please let me know when this will be on your agenda. If you have any questions regarding this matter, don't hesitate to contact me at (209) 235-0584.

Thank you for your assistance.

Sincerely,

DocuSigned by:
Steve Dial
77C9E4A491524D2...

STEVE DIAL
Deputy Executive Director/Chief Financial Officer

Attachments:
R-24-24
FY 2024-25 Annual Financial Plan Staff Report
FY 2024-25 Annual Financial Plan Board Summary

DocuSign Envelope ID: 3433DEA0-4B18-4190-BE15-A8077748EE36

San Joaquin Council of Governments
ANNUAL FINANCIAL PLAN
Fiscal Year 2024/25

Final March 28, 2024

CHAIR
Mayor David Bellinger, City of Escalon

VICE-CHAIR
Councilmember Diane Lazard, City of Lathrop

BOARD OF DIRECTORS

Mayor Lisa Craig	City of Lodi
Mayor Gary Singh	City of Manteca
Mayor Kevin J. Lincoln II	City of Stockton
Vice Mayor Kimberly Warmsley	City of Stockton
Councilmember Michael Blower	City of Stockton
Supervisor Miguel Villapudua	County of San Joaquin
Supervisor Steven Ding	County of San Joaquin
Supervisor Robert Rickman	County of San Joaquin
Mayor Nancy Young	City of Tracy
Mayor Leo Zuber	City of Ripon

EX OFFICIO DIRECTORS

Grace Magsayo, Director	Caltrans District 10
Gary Giovanetti, Director	San Joaquin Regional Transit District
William R. Trezza, Commissioner	Port of Stockton

SUBMITTED BY:

Diane Nguyen
Executive Director

Steve Dial
Deputy Executive Director/
Chief Financial Officer

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San Joaquin Council of Governments
ANNUAL FINANCIAL PLAN
Fiscal Year 2024/2025
Adopted Final March 28, 2024

REVENUES	FY2022-23 Actual	FY 2023-24 Amendment # 3	FY 2024-25 Adopted Final	+/- Change	+/- % Change
Federal Grants	4,351,352	9,703,559	22,768,271	13,064,712.00	134.64%
State Grants	5,290,133	23,257,962	17,269,242	(5,988,720.40)	-25.75%
Local	6,459,552	7,371,221	8,186,088	814,867.00	11.05%
Interest	65,347	20,000	20,000	-	0.00%
Other	113,454	79,600	60,000	(19,600.00)	-24.62%
SJCOG OPERATING REVENUE	16,279,838	40,432,342.40	48,303,601.0	7,871,258.60	19.47%
EXPENDITURES					
Salaries & Benefits	4,910,403	6,281,809.00	6,944,063.00	662,254.00	10.54%
Services & Supplies	1,336,555	1,338,500.00	1,572,500	234,000.00	17.48%
Office Expense	375,730	338,000.00	367,000	29,000.00	8.58%
Communications	58,394	60,000.00	60,000	-	0.00%
Memberships	42,395	45,000.00	45,000	-	0.00%
Maintenance - Equipment	4,859	10,000.00	10,000	-	0.00%
Rents & Leases - Equipment	70,424	131,000.00	131,000	-	0.00%
Transportation,Travel & Training (In & Out of State)	212,295	125,000.00	223,000	98,000.00	78.40%
Publications & Legal Notices	3,929	7,500.00	7,500	-	0.00%
Insurance	204,781	205,000.00	258,000	53,000.00	25.85%
Building Operations & Maintenance	270,868	217,000.00	271,000	54,000.00	24.88%
SJCOG Building Debt Service Principal and Interest	92,880	200,000.00	200,000	-	0.00%
Professional Services	9,171,078	32,431,533.40	39,406,538.00	6,975,004.60	21.51%
Capital Outlay	2,010,716	380,500.00	380,500	-	0.00%
Unallocated/Reserve					
SJCOG OPERATING EXPENDITURES	17,428,751	40,432,342.40	48,303,601.0	7,871,258.60	19.47%

DocuSign Envelope ID: 3433DEA0-4B18-4190-BE15-A8077748EE36

March 2024
SJCOG Board

STAFF REPORT

SUBJECT: FY 2024-2025 Proposed Annual Financial Plan (AFP)

RECOMMENDED ACTION: That the Board Adopt Resolution 24-24 Approving the FY 2024-2025 Annual Financial Plan

The attached proposed Annual Financial Plan (AFP) provides a detail of revenues and expenditures by cost category and line item. The proposal compares the FY 2024-2025 budget with the most recently adopted FY 2023-2024 AFP. In addition, it compares the proposal to the FY 2022-2023 actual expenditures. The total revenues and expenditures amount to **$48,303,601.00**. The proposed AFP represents the general fund budget for SJCOG. The revenues and expenditures in the AFP are the same as the Overall Work Program (OWP), however, presented in a traditional line-item format compared to the work element format of the OWP.

Below is a summary of revenues and expenditures in the AFP. For details on each of those categories please refer to the attachment.

Readers should note several differences between SJCOG and its member agencies' budgets:

- SJCOG revenue sources are quite different from our member agencies:
- SJCOG employs staff on an at-will basis, vis-à-vis civil service and has its own employee handbook and policies.
- SJCOG has its own Financial and Accounting Policy guiding our financial matters including procurement procedures.
- SJCOG employees are exempted from Social Security except for Medicare.
- As noted below, SJCOG offers a defined contribution retirement plan to its employees. SJCOG has no CalPERS or other post employments benefit obligations except limited sick leave conversion as noted.

Upon adoption by the board, pursuant to the SJCOG Joint Powers Agreement, the AFP will be sent to the member agencies for ratification. Ratification is achieved when a majority of the
member agencies representing 55% of the county population, approve the AFP.

The following assumptions are incorporated in the budget:

1. Work will not begin, and expenses will not be incurred unless anticipated revenue sources are secured.

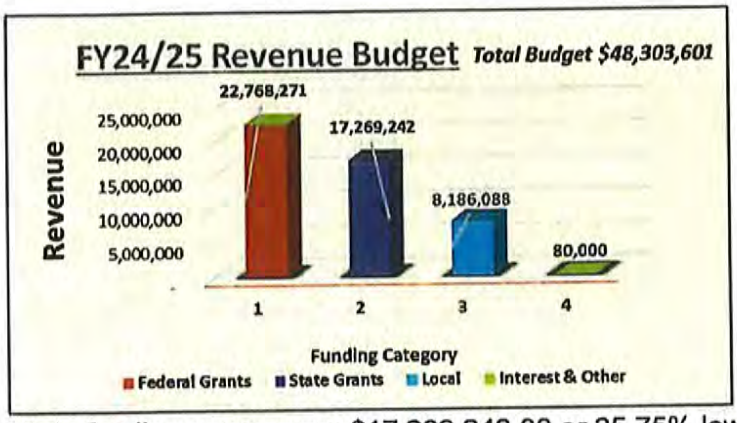
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2. The position of Deputy Director of Finance & Administration is being added to the classification table under group B. This position is being created to backfill the Deputy Executive Director/Chief Financial Officer position once it becomes vacant.
3. The position of Manager of Administration has been vacant for two years and SJCOG does not intend to fill it in the future; therefore, this position is being removed from the classification chart. To meet the evolving needs of SJCOG, the position of Assistant Office Administrator to support the administrative functions of the office is being created. This position will have different responsibilities and a lower pay grade compared to the Manager of Administration. This position is being added with the concurrent elimination of an Administrative Technician position that was left vacant in the last quarter of FY 2024.
4. The budget includes a new longevity incentive program to attract and maintain an experienced and knowledgeable workforce. In addition, long term staff can reach their maximum salary and only receive cost of living adjustments annually. The incentive is structured to recognize and reward the length of staffs' tenure. The longevity pay targets will be 10, 15 and 20 years (of continuous service), with an increase in base salary of 1%, 2% and 3% respectively. Currently, this benefit will apply to eight (8) noncontract employees and the estimated financial impact for FY 2024-2025 is $29,158.00. *This longevity pay does not apply to the contract position of the Executive Director.*
5. The budget includes a pool equaling 7% of current salaries that can be drawn upon for merit-based increases and potential promotions. The full impact of that pool is incorporated into the salary-driven benefits (retirement, Medicare, disability).
6. SJCOG has no significant liability exposure for post-employment benefits.
    a. The employee retirement program is a defined contribution program managed by Mission Square Retirement, formerly the International City Managers Association Retirement Program.
    b. SJCOG employee vacation accruals are capped at two times the individual's annual leave.
    c. Upon separation, an employee can convert accrued sick leave hours to be deposited into a Retirement Health Savings Account to pay for health-related expenses, with the qualification of being 50 years of age or 20 years of SJCOG employment. The conversion is based upon the employee's salary at retirement and alleviates SJCOG of any further liability.

REVENUES

Compared to the current year amended AFP, SJCOG general fund operating revenues are proposed to increase from $40,432,342.40 to $48,303,601.00, an increase of $7,871,258.60

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Federal funding for general fund activities is $22,768,271 or 134.64% higher than FY 2023-24 primarily due to a $15,000,000 Charging and Fueling Infrastructure grant.

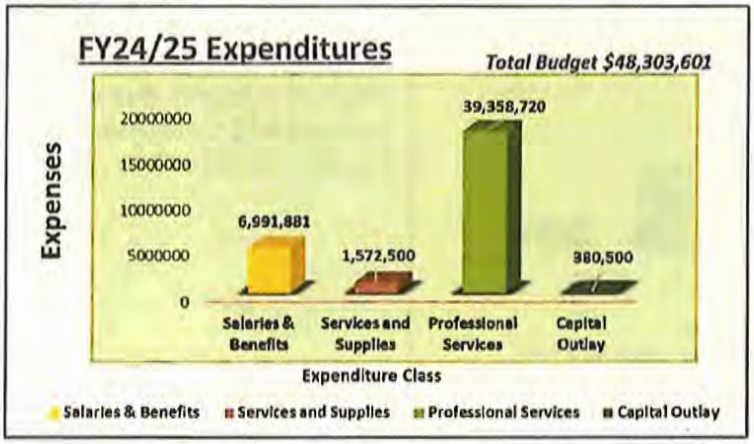
State funding sources are $17,269,242.00 or 25.75% lower primarily due to:

- $1,224,892 drawdown on Regional Early Action Planning (REAP) 1.0
- $493,526 drawdown on REAP 2.0
- Consumption of $2,368,883.78 from the state grant for Sustainable Transportation Equity Project (STEP).
- $950,000 drawdown on Regional Climate Collaborative grant.
- $787,571 drawdown on Clean Mobility Options grant.
- $1,338,147.75 drawdown on prior year's Freeway Service Patrol funding.
- $1,084,044 is available for FY 24-25 future years of Freeway Service Patrol funding.
- $264,199.75 drawdown has occurred on three years of Senate Bill 1 (SB1) Sustainable Transportation Planning Grants offset by a FY 24-25 allocation of $355,000.
- $290,544.12 drawdown on prior year's State Transportation Improvement Program (STIP) for planning offset by FY 24-25 allocation of $290,000.

Local revenues are higher by $814,867 or 11.05% due to increased sales tax receipts on Local Transportation Fund by $96,018, Measure K by $605,849, Sacramento Association of Governments of $200,000, offset by an $87,000 decrease in donations.

EXPENDITURES

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Salaries and Benefits are anticipated to increase by $662,254 or 10.54% from $6,281,809 to $6,944,063 compared to the FY 23-24 amended budget. The budget includes the removal of the Manager of Administration position and the addition of the position of Assistant Office Administrator (to replace a recently vacant Administrative Technician position so there are no changes to overall staffing numbers). The new position is at a lower pay grade than that of the Manager. It also includes $29,158.00 for longevity pay and $343,863.00 or 7.0% of total salaries pool for merit-based raises. The salary-driven benefits adjust accordingly.

Services and Supplies are proposed to increase by $136,000.
Computer software, supplies, postage, and licensing is increasing by $29,000 to support both a return to the office, working remotely and heightened cybersecurity. Liability insurance is increasing by $53,000 due to increased premiums. Building maintenance is increasing by $54,000 due to increased utilities, security upgrades, and vandalism repairs.

Transportation, Travel, and Training increase by $98,000.
With several new board members and new employees, more training expenses are expected. This budget has increased by $98,000 up to $223,000. This will help to support such activities as the annual One Voice® trip.

Professional Services – Increases $6,975,004.60 from FY 23-24 $32,431,533.40 to $39,406,538.00.
There are consumptions of various grants and new funding sources, which directly correlate to professional services. For example, the prior years' SB-1 Sustainable Communities grants used $222,530.00 and we are budgeting the new SB-1 allocation of $355,000.00. The I-205 Managed Lanes Widening project consumed $1,800,000.00 and we are budgeting $12,452,108.00 for the Clean Fuels Infrastructure project. The Sustainable Transportation Equity Project (STEP) has consumed $2,168,883.00 and the CMO Voucher is program drew down by $510,566.00. The San Joaquin Regional Climate Collaborative used $850,000.00 while the Regional Early Action Plan (REAP 1.0) expended $909,892.00.

Position Classification and Salary Schedule
Per board policy, the salary ranges at both the minimum and maximum levels and are adjusted by the CPI change.

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FISCAL IMPACT

All revenues in the AFP are secured and available. The Annual Financial Plan is required to be adopted by the Board of Directors prior to April 1 each year and disseminated to the member agencies for ratification. The Annual Financial Plan is the traditional line-item budget identifying estimated revenues and expenditures for the fiscal year. The Annual Financial Plan is complementary to the Overall Work Program.

RECOMMENDATION

That the Board adopt Resolution 24-24 approving the FY 2024-25 Annual Financial Plan.

Prepared by: Steve Dial, Deputy Executive Director/CFO, and Grace Orosco, Manager of Finance

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RESOLUTION
SAN JOAQUIN COUNCIL OF GOVERNMENTS

R-24-24

RESOLUTION APPROVING THE ADOPTION OF THE 2024-2025
ANNUAL FINANCIAL PLAN
FOR THE SAN JOAQUIN COUNCIL OF GOVERNMENTS

WHEREAS, the San Joaquin Council of Governments is required by the Joint Powers Agreement to adopt a budget (Annual Financial Plan) annually, and

WHEREAS, the adopted budget is to be sent to the member agencies for ratification.

NOW THEREFORE BE IT RESOLVED, that the San Joaquin Council of Governments adopts the FY 2024-2025 Annual Financial Plan and directs the Executive Director to transmit it to the member agencies for ratification.

PASSED AND ADOPTED this 28th day of March 2024 by the following vote of the San Joaquin Council of Governments, to wit:

AYES: Mayor Bellinger, Escalon; Councilmember Blower, Stockton; Mayor Craig, Lodi; Supervisor Ding, SJ County; Mayor Lincoln, Stockton; Supervisor Rickman, SJ County; Mayor Singh, Manteca; Supervisor Villapudua, SJ County; Vice Mayor Warmsley, Stockton; Mayor Young, Tracy; Mayor Zuber, Ripon.

NOES: None.

ABSENT: Councilmember Lazard, Lathrop.

DAVID BELLINGER
Chair

May 21, 2024

Agenda Item 1.C

RECOMMENDATION

Staff recommends that the City Council adopt a Resolution (1) accepting an allocation of Fiscal Year 2023-2024 funds in the amount of $86,815 from the California Low Carbon Transit Operation Program; (2) authorizing the City Manager, or designee, to execute requisite funding documents, certifications and assurances; and (3) appropriating all $86,815 to the Transit Fund for free student fares.

EXECUTIVE SUMMARY

The Low Carbon Transit Operations Program (LCTOP) is one of several State funding programs that are part of the Transit, Affordable Housing, and Sustainable Communities Program established by the California Legislature in 2014. The City of Tracy is eligible to receive $86,815 from the program. Staff recommends utilizing these funds to continue to provide free bus rides to students for the 2024-25 school year.

BACKGROUND AND LEGISLATIVE HISTORY

The LCTOP is one of several State funding programs that are part of the Transit, Affordable Housing, and Sustainable Communities Program established by the California Legislature in 2014 (SB 862). The LCTOP was created to provide operating and capital assistance for transit agencies to reduce greenhouse gas emissions and improve mobility, with a priority on serving designated Disadvantaged Communities (DAC).

The LCTOP is administered by California Department of Transportation (Caltrans) in coordination with the California Air Resource Board (CARB) and the State Controller's Office (SCO). Funds are distributed based on prior use of State Transit Assistance (STA) funds with 50% to the regional agencies, and the other 50% to local transit operators. The San Joaquin Council of Governments (SJCOG) receives the regional apportionment for San Joaquin County. For the FY 2023-24 LCTOP funding cycle, the City of Tracy is eligible to receive $3,522 in a direct allocation as a transit operator. In addition, SJCOG's regional allocation of $1.9 million will be allocated among the transit providers with the City of Tracy receiving $83,293. This provides a total LCTOP allocation of $86,815.

Because the LCTOP administration and reporting requirements are disproportionately onerous in relation to the relatively small direct allocations to transit operators, LCTOP funds were pooled to benefit larger, regional projects undertaken by San Joaquin RTD and the San Joaquin Regional Rail Commission. This LCTOP funding cycle, however, continues SJCOG's practice of providing a larger allocation for small transit operators and, therefore, a larger project and greater benefit to the community with the same reporting requirements.

ANALYSIS

Staff proposes to utilize the City's FY 2023-24 allocation of $86,815 in LCTOP funds to continue

the student fare subsidy program. The fare subsidies will continue to provide free transit fares to students for a two-year period beginning December 1, 2024 and ending December 31, 2026, or until funds are fully expended. An on-going marketing program will promote the project, with a focus on disadvantaged communities in the City. To complete the application process and receive LCTOP funds, the City is required to submit several supporting documents approved by the City Council (see Attachment A):

1. An "Authorized Agent" form to designate the City Manager, and/or designee, as signatory on any documents associated with obtaining and managing LCTOP funds.
2. The "Certification and Assurances" which contain general conditions of the LCTOP program as well as some additional cost principles and record retention requirements that are standard for other State-funded projects.
3. Project Allocation form acknowledging the City of Tracy as the Lead Agency and SJCOG as the Contributing Sponsor of LCTOP funds.
4. A Resolution adopted by Council approving all of the submittals on behalf of the LCTOP program.

Accepting and utilizing these funds will allow continued promotion of the use of public transit by students in an effort to build lifelong transit riders by removing a barrier to access and providing a means of transportation, especially for low-income and disadvantaged communities.

FISCAL IMPACT

A total $86,815 in LCTOP funds will be appropriated for use as additional revenue to offset fares in the Transit Fund. There is no matching requirement and there is no impact to the General Fund.

STRATEGIC PLAN

This agenda item supports the Council's Economic Development Strategic Priority 2.C. – Promote TRACER Bus Services to increase awareness and ridership.

CEQA DETERMINATION

This item is exempt from review under the California Environmental Quality Act because this item proposes an organizational or administrative activity that will not result in a direct or indirect physical change in the environment and is therefore not a "project." (CEQA Guidelines §§15378(b)(5)).

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a Resolution (1) accepting an allocation of Fiscal Year 2023-2024 funds in the amount of $86,815 from the California Low Carbon Transit Operation Program;(2) authorizing the City Manager, or designee, to execute requisite funding documents, certifications and assurances; and (3) appropriating all $86,815 to the Transit Fund for free student fares.

Prepared by: Ed Lovell, Transit Manager

Reviewed by: Brian MacDonald, Interim Public Works Director
Sara Cowell, Finance Director
Karin Schnaider, Assistant City Manager
Bijal Patel, City Attorney

Approved by: Midori Lichtwardt, City Manager

Attachments:

Attachment A – FY23-24 LCTOP Allocation Request Signature Pages

Attachment A

FY 2023-2024 LCTOP
Authorized Agent

AS THE **Mayor**
(Chief Executive Officer/Director/President/Secretary)

OF THE **City of Tracy**
(Name of County/City/Transit Organization)

I hereby authorize the following individual(s) to execute for and on behalf of the named Regional Entity/Transit Operator, any actions necessary for the purpose of obtaining Low Carbon Transit Operations Program (LCTOP) funds provided by the California Department of Transportation, Division of Local Assistance. I understand that if there is a change in the authorized agent, the project sponsor must submit a new form. This form is required even when the authorized agent is the executive authority himself. I understand the Board must provide a resolution approving the Authorized Agent. The Board Resolution appointing the Authorized Agent is attached.

Midori Lichtwardt, City Manager OR
(Name and Title of Authorized Agent)

Karin Schnaider, Assistant City Manager OR
(Name and Title of Authorized Agent)

Brian MacDonald, Interim Public Works Director OR
(Name and Title of Authorized Agent)

Click here to enter text. OR
(Name and Title of Authorized Agent)

Nancy D. Young — Mayor
(Print Name) — *(Title)*

(Signature)

Approved this 21 *day of* May , 2024

FY 2023-2024 LCTOP
Certifications and Assurances

Lead Agency: City of Tracy

Project Title: Free Student Fares

Prepared by: Ed Lovell, Transit Manager

The California Department of Transportation (Caltrans) has adopted the following Certifications and Assurances for the Low Carbon Transit Operations Program (LCTOP). As a condition of the receipt of LCTOP funds, Lead Agency must comply with these terms and conditions.

A. General

1. The Lead Agency agrees to abide by the current LCTOP Guidelines and applicable legal requirements.

2. The Lead Agency must submit to Caltrans a signed Authorized Agent form designating the representative who can submit documents on behalf of the project sponsor and a copy of the board resolution appointing the Authorized Agent.

B. Project Administration

1. The Lead Agency certifies that required environmental documentation is complete before requesting an allocation of LCTOP funds. The Lead Agency assures that projects approved for LCTOP funding comply with Public Resources Code § 21100 and § 21150.

2. The Lead Agency certifies that a dedicated bank account for LCTOP funds only will be established within 30 days of receipt of LCTOP funds.

3. The Lead Agency certifies that when LCTOP funds are used for a transit capital project, that the project will be completed and remain in operation for its useful life.

4. The Lead Agency certifies that it has the legal, financial, and technical capacity to carry out the project, including the safety and security aspects of that project.

5. The Lead Agency certifies that they will notify Caltrans of pending litigation, dispute, or negative audit findings related to the project, before receiving an allocation of funds.

6. The Lead Agency must maintain satisfactory continuing control over the use of project equipment and facilities and will adequately maintain project equipment and facilities for the useful life of the project.

7. Any interest the Lead Agency earns on LCTOP funds must be used only on approved LCTOP projects.

8. The Lead Agency must notify Caltrans of any changes to the approved project with a Corrective Action Plan (CAP).

9. Under extraordinary circumstances, a Lead Agency may terminate a project prior to completion. In the event the Lead Agency terminates a project prior to completion, the Lead Agency must (1) contact Caltrans in writing and follow-up with a phone call verifying receipt of such notice; (2) pursuant to verification, submit a final report indicating the reason for the termination and demonstrating the expended funds were used on the intended purpose; (3) submit a request to reassign the funds to a new project within 180 days of termination.

C. Reporting

1. The Lead Agency must submit the following LCTOP reports:

a. Annual Project Activity Reports October 30th each year.

b. A Close Out Report within six months of project completion.

c. The annual audit required under the Transportation Development Act (TDA), to verify receipt and appropriate expenditure of LCTOP funds. A copy of the audit report must be submitted to Caltrans within six months of the close of the year (December 31) each year in which LCTOP funds have been received or expended.

d. Project Outcome Reporting as defined by CARB Funding Guidelines.

e. Jobs Reporting as defined by CARB Funding Guidelines.

2. Other Reporting Requirements: CARB develops and revises Funding Guidelines that will include reporting requirements for all State agencies that receive appropriations from the Greenhouse Gas Reduction Fund. Caltrans and project sponsors will need to submit reporting information in accordance with CARB's Funding Guidelines, including reporting on greenhouse gas reductions and benefits to disadvantaged communities.

D. Cost Principles

1. The Lead Agency agrees to comply with Title 2 of the Code of Federal Regulations 225 (2 CFR 225), Cost Principles for State and Local Government, and 2 CFR, Part 200, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

2. The Lead Agency agrees, and will assure that its contractors and subcontractors will be obligated to agree, that:
   a. Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., shall be used to determine the allow ability of individual project cost items and

b. Those parties shall comply with Federal administrative procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments. Every sub-recipient receiving LCTOP funds as a contractor or sub-contractor shall comply with
Federal administrative procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

3. Any project cost for which the Lead Agency has received funds that are determined by subsequent audit to be unallowable under 2 CFR 225, 48 CFR, Chapter 1, Part 31 or 2 CFR, Part 200, are subject to repayment by the Lead Agency to the State of California (State). All projects must reduce greenhouse gas emissions, as required under Public Resources Code section 75230, and any project that fails to reduce greenhouse gases shall also have its project costs submit to repayment by the Lead Agency to the State. Should the Lead Agency fail to reimburse moneys due to the State within thirty (30) days of demand, or within such other period as may be agreed in writing between the Parties hereto, the State is authorized to intercept and withhold future payments due the Lead Agency from the State or any third-party source, including but not limited to, the State Treasurer and the State Controller.

A. Record Retention

1. The Lead Agency agrees and will assure that its contractors and subcontractors shall establish and maintain an accounting system and records that properly accumulate and segregate incurred project costs and matching funds by line item for the project. The accounting system of the Lead Agency, its contractors and all subcontractors shall conform to Generally Accepted Accounting Principles (GAAP) and enable the determination of incurred costs at interim points of completion. All accounting records and other supporting papers of the Lead Agency, its contractors and subcontractors connected with LCTOP funding shall be maintained for a minimum of three (3) years after the "Project Closeout" report or final Phase 2 report is submitted (per CARB Funding Guidelines, Vol. 3, page 3.A-16), and shall be held open to inspection, copying, and audit by representatives of the State and the California State Auditor. Copies thereof will be furnished by the Lead Agency, its contractors, and subcontractors upon receipt of any request made by the State or its agents. In conducting an audit of the costs claimed, the State will rely to the maximum extent possible on any prior audit of the Lead Agency pursuant to the provisions of federal and State law. In the absence of such an audit, any acceptable audit work performed by the Lead Agency's external and internal auditors may be relied upon and used by the State when planning and conducting additional audits.

2. For the purpose of determining compliance with Title 21, California Code of Regulations, Section 2500 et seq., when applicable, and other matters connected with

the performance of the Lead Agency's contracts with third parties pursuant to Government Code § 8546.7, the project sponsor, its contractors and subcontractors and the State shall each maintain and make available for inspection all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts. All of the above referenced parties shall make such materials available at their respective offices at all reasonable times during the entire project period and for three (3) years from the date of final payment. The State, the California State Auditor, or any duly authorized representative of the State, shall each have access to any books, records, and documents that are pertinent to a project for audits, examinations, excerpts, and transactions, and the Lead Agency shall furnish copies thereof if requested.

3. The Lead Agency, its contractors and subcontractors will permit access to all records of employment, employment advertisements, employment application forms, and other pertinent data and records by the Civil Rights Department, or any other agency of the State of California designated by the State, for the purpose of any investigation to ascertain compliance with this document.

F. Special Situations

Caltrans may perform an audit and/or request detailed project information of the project sponsor's LCTOP funded projects at Caltrans' discretion at any time prior to the completion of the LCTOP.

I certify all these conditions will be met.

Brian MacDonald	Interim Public Works Director
(Print Authorized Agent)	*(Title)*
(Signature)	*(Date)*

APPROVED AS TO FORM AND LEGALITY

_____
CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

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(1) ACCEPTING AN ALLOCATION OF FISCAL YEAR 2023-2024 FUNDS IN THE AMOUNT OF $86,815 FROM THE CALIFORNIA LOW CARBON TRANSIT OPERATION PROGRAM; (2) AUTHORIZING THE CITY MANAGER, OR DESIGNEE, TO EXECUTE REQUISITE FUNDING DOCUMENTS, CERTIFICATIONS AND ASSURANCES; AND (3) APPROPRIATING ALL $86,815 TO THE TRANSIT FUND FOR FREE STUDENT FARES

WHEREAS, the City of Tracy is an eligible project sponsor and may receive state funding from the Low Carbon Transit Operations Program (LCTOP) for transit projects; and

WHEREAS, the statutes related to state-funded transit projects require a local or regional implementing agency to abide by various regulations; and

WHEREAS, Senate Bill 862 (2014) named the Department of Transportation (Department) as the administrative agency for the LCTOP; and

WHEREAS, the Department has developed guidelines for the purpose of administering and distributing LCTOP funds to eligible project sponsors (local agencies); and

WHEREAS, funds are distributed based on prior use of State Transit Assistance funds with 50% to the regional agencies, and the other 50% to local transit operators; and

WHEREAS, the San Joaquin Council of Governments (SJCOG) receives the regional apportionment for San Joaquin County; and

WHEREAS, for the FY 2023-24 LCTOP funding cycle, the City of Tracy is eligible to receive $3,522 in a direct allocation as a transit operator; and, in addition, SJCOG's regional allocation of $1.9 million will be allocated among the transit providers with the City of Tracy receiving $83,293, providing a total LCTOP allocation of $86,815; and

WHEREAS, staff proposes to utilize the City's FY 2023-24 allocation of $86,815 in LCTOP funds to continue the student fare subsidy program; and

WHEREAS, the fare subsidies will continue to provide free transit fares to students for a two-year period beginning December 1, 2024 and ending December 31, 2026, or until funds are fully expended; and

WHEREAS, to complete the application process and receive LCTOP funds, the City is required to submit several supporting documents approved by the City Council, attached hereto as Attachment A; and

WHEREAS, the City of Tracy wishes to delegate authorization to execute these documents and any amendments thereto to the City Manager or his designee; and

WHEREAS, the City of Tracy wishes to implement the following LCTOP project(s) listed above;

NOW THEREFORE, be it

RESOLVED: That the City Council of the City of Tracy hereby determines item is exempt from review under the California Environmental Quality Act because this item proposes an organizational or administrative activity that will not result in a direct or indirect physical change in the environment and is therefore not a "project" (CEQA Guidelines §§15378(b)(5)); and be it further

RESOLVED: That the City Council of the City of Tracy approves and agrees to comply with all conditions and requirements set forth in the Certification and Assurances and the Authorized Agent documents attached hereto as Attachment A, in addition to applicable statutes, regulations and guidelines for all LCTOP funded transit projects; and be it further

RESOLVED: That the City Council authorizes the City Manager or designee to execute all required documents of the LCTOP program and any Amendments thereto with the California Department of Transportation; and be it further

RESOLVED: That the City Council appropriates funds in the amount of $86,815 to the City Transit Fund for the purpose of the LCTOP program and use for free student fares; and be it further

RESOLVED: That the City Council of the City of Tracy authorizes the submittal of the following project nomination and allocation request to the Department in FY23-2024 LCTOP funds:

Project Name:	Free Student Fares
Amount of LCTOP funds requested:	$86,815
Short description of project:	Fare subsidy for students during promotional periods in the City of Tracy
Benefit to a Priority Populations:	Free fares for students to encourage ridership on the fixed-route bus system.
Amount to benefit Priority Populations:	$43,408
Contributing Sponsors:	San Joaquin Council of Governments

* * * * * * * * * * * * * *

The foregoing Resolution 2024-_____ was adopted by the Tracy City Council on May 21, 2024, 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

Attachments:

Attachment A – FY23-24 LCTOP Allocation Request Signature Pages

May 21, 2024

Agenda Item 1.D

RECOMMENDATION

Staff recommends that the City Council (1) approve a Professional Services Agreement with ETA Transit Systems, Inc., for the installation of intelligent transit system software and hardware for the TRACER bus system with a contract price not to exceed $1,357,333, a five-year initial term, and an administrative option for the City Manager to extend the term one additional year, and (2) authorize the City Manager, or designee, to sign any ancillary support agreements.

EXECUTIVE SUMMARY

The Tracer bus system has been in operation since 2001. There have been many technology advances over the years that provide data to assist in operations as well as provide an improved customer experience. Staff released a Request for Proposals (RFP) for the installation of technology that allow for real-time dispatching and bus tracking, automatic passenger counting, automatic voice announcements, real-time passenger displays for select bus stops, and infotainment displays on all transit vehicles.

After reviewing the received proposals and conducting interviews, staff have selected ETA Transit Systems as the most qualified vendor to complete this work of installing the requested technology. The contract will be for a period of five years, which will include installation of all software and hardware components, a five-year warranty on all hardware purchased by the City, annual maintenance costs, and required training.

The proposed agreement is for a not-to-exceed amount of $1,357,333.00, an initial five-year term with a City administrative option to extend one additional year. Because the not-to-exceed amount is greater than $50,000.00, approval of this agreement requires City Council approval pursuant to Tracy Municipal Code Sections 2.20.140(a)(2) and 2.20.130.

BACKGROUND AND LEGISLATIVE HISTORY

The City of Tracy has been operating the Tracer fixed-route bus system since 2001. The City owns the vehicles but contracts out the operation and maintenance of the vehicles. Previous operation contracts have included that the contractor provide all necessary software for managing the fixed route buses, including systems that provide computer aided dispatching and automatic vehicle location (CAD/AVL). As a result of having the contractor provide this system, the City loses some control with regards to getting timely information and requesting changes because the contractor must act as a go-between with the City and the contractor’s vendor. Additionally, if the City changes contractors, the new contractor could potentially bring different software to run the operation, which could result in changes to how the public experiences the system.

At the same time, there have been many technology advancements over the years that provide enhanced data and services for operations as well as providing an improved passenger experience. Rather than obtain the various desired components individually, staff desired to have as many pieces of technology as possible be housed under the umbrella of one provider.

An RFP was released in August 2023 outlining the desired technology to improve overall service. The RFP asked for the following components:

Required Components:

- Fixed Route CAD/AVL System
- Automatic Voice Announcement System
- Automatic Passenger Counting System
- General Transit Feed Specification Real-Time (GTFS-RT) Implementation

Optional Components:

- Bus Stop Digital Displays
- Tracy Transit Station Information Displays
- Infotainment System

These systems will allow for better tracking of the vehicles and passenger data, as well as improve the customer experience by providing real-time data to the public and allowing for electronic displays of information on the buses.

This item was delayed in getting to City Council for approval as negotiations with the selected vendor took longer than anticipated.

ANALYSIS

RFP submissions were due on September 15, 2023, and a total of five submissions were received. In addition to Tracy Municipal Code Sections 2.20.140(a)(2) and 2.20.130, proposals were also evaluated on a "best value" basis as described in the Federal Transit Administration's (FTA) Best Practices Manual which states:

> "Best value" is a selection process in which proposals contain both price and qualitative components, and award is based upon a combination of price and qualitative considerations. Qualitative considerations may include technical design, technical approach, quality of proposed personnel, and/or management plan. The award selection is based upon consideration of a combination of technical and price factors to determine (or derive) the offer deemed most advantageous and of the greatest value to the procuring agency.

Proposals were received from the following vendors: Equans, Passio Technologies, ETA Transit Systems, Connexionz, and Peak Transit.

An evaluation committee did an initial scoring of the proposals and recommended that four of the five proposers be selected to conduct interviews and provide system demos. Interviews and system demos were held October 4th and 5th, 2023 with Equans, Passio Technologies, ETA Transit Systems, and Connexionz. Following the interviews and demos, the proposers were asked to submit a best and final offer (BAFO) on the price for consideration in the final evaluation. A final evaluation was performed by the scoring committee based on the information contained in the submitted proposals, the system demos, and the BAFO.

The evaluation committee recommended that ETA Transit Systems be selected as the preferred vendor. The committee felt that they best demonstrated the ability to meet the needs of the

transit system along with the best implementation scheduled and best value proposal in terms of both price and qualitative considerations including technical design and approach.

The contract will be for a period of five years, which will include installation of all software and hardware components, a five-year warranty on all hardware purchased by the City, annual maintenance costs, and required training.

FISCAL IMPACT

This project was approved in the FY23/24 budget as ITS Infrastructure Planning & Construction, CIP 77587 with an approved project budget of $1,400,000. Funding for this project will be paid for using a combination of existing federal and state transit funds.

STRATEGIC PLAN

This agenda item supports the City's Quality of Life Strategic Priority to provide an outstanding quality of life by enhancing the City's amenities and services to promote positive change and progress in our community.

CEQA DETERMINATION

This item is exempt from review under the California Environmental Quality Act (California Public Resources Code §§ 21000, et seq., "CEQA") and CEQA regulations (14 California Code of Regulations §§ 15000, et seq.; "CEQA Guidelines") in that it is not a "project" for purposes of CEQA (as defined by CEQA Guidelines §15378). Specifically, this item proposes an organizational or administrative activity that will not result in a direct or indirect physical change in the environment (CEQA Guidelines §§15378(b)(5)). Further, even if this item was deemed a "project," and therefore subject to CEQA, the item would be exempt as it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment (CEQA Guidelines §15061(b)(3)).

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council (1) approve a Professional Services Agreement with ETA Transit Systems, Inc., for the installation of intelligent transit system software and hardware for the TRACER bus system with a contract price not to exceed $1,357,333, a five-year initial term, and an administrative option for the City Manager to extend the term one additional year, and (2) authorize the City Manager, or designee, to sign any ancillary support agreements.

Prepared by: Ed Lovell, Transit Manager

Reviewed by: Brian MacDonald, Interim Director of Public Works
Sara Cowell, Director of Finance
Jeff Crosswhite, Assistant City Attorney
Karin Schnaider, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

Attachments: Attachment A – ETA Transit Systems PSA

CITY OF TRACY
PROFESSIONAL SERVICES AGREEMENT WITH
ETA PHI SYSTEMS, INC. DBA ETA TRANSIT SYSTEMS, INC., A FLORIDA CORPORATION

This Professional Services Agreement ("Agreement") is entered into between the City of Tracy, a municipal corporation ("City"), and ETA PHI SYSTEMS, INC., a Florida Corporation ("Consultant"). City and Consultant are referred to individually as "Party" and collectively as "Parties."

Recitals

A. City desires to retain the professional services of Consultant to install and maintain various Intelligent Transportation System (ITS) components, including software and hardware, on the City's public transit bus fleet as further described herein and in Exhibit A.

B. On August 11, 2023, the City issued a Request for Proposals (RFP) for the Scope of Work defined below. On September 15, 2023, Consultant submitted its proposal for the Scope of Work to the City. Pursuant to Tracy Municipal Code Sections 2.20.140(a)(2) and 2.20.130, the City has determined that Consultant demonstrated that it was the best qualified and most responsible proposer, and best fits the City's needs for competence and professional qualifications necessary for the satisfactory performance of the Scope of Work defined below.

C. After negotiations between the City and Consultant, the Parties have reached an agreement for Consultant's professional services as set forth in this Agreement.

D. City Council approved this Agreement on May 21, 2024 pursuant to Resolution No. 2024-____.

NOW THEREFORE, for good and valuable consideration the sufficiency of which the Parties hereby acknowledge, the Parties mutually agree as follows:

1. Scope of Work. Consultant shall perform the professional services, tasks, and scope of work described in Exhibit A attached hereto and incorporated herein by this reference ("Scope of Work"). The Scope of Work shall be performed by, or under the direct supervision of, Consultant's "Authorized Representative": John Maglio, President or Nicole Castonguay, CEO**.** 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 the City's prior written consent. The City may terminate this Agreement if Consultant makes any such change or uses or replaces any such subcontractor or subconsultant. Unless otherwise stated on Exhibit A, Consultant shall furnish, at its own expense, the materials, equipment, supplies, and other resources necessary to perform the Scope of Work.

1.1. Non-Exclusive Professional Services Agreement. The City reserves the right to contract with other firms and/or consultants during the term of this Agreement to provide the City the same or similar Scope of Work as described in Exhibit A. Nothing contained in this Agreement guarantees Consultant a certain amount of work or compensation, and the City may, in its sole and absolute discretion, allocate and/or delegate work to Consultant so as to satisfy the City's needs.

2. Time of Performance. Time is of the essence in the performance of the Scope of Work under this Agreement and the timing requirements set forth herein shall be strictly adhered to unless otherwise modified in writing in accordance with this Agreement. If dates for performance are set out in

Exhibit A, Consultant shall begin performance, and shall complete all required Scope of Work 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. If Exhibit A indicates that Scope of Work shall only be performed upon request, or if the City otherwise communicates the same to Consultant, Consultant shall not perform said Scope of Work until the City requests such performance. Consultant shall submit all requests for time extensions to the City in writing no later than ten (10) days after the start of the condition which purportedly caused the delay, and not later than the date on which performance is due. The City may grant or deny such requests in its sole and absolute discretion.

2.1 Term. The term of this Agreement shall commence on June 1, 2024 and expire and terminate automatically on May 31, 2029 or earlier by termination pursuant to Section 6 of this Agreement ("Term"). Subject to the Not-To-Exceed Amount defined in Section 3.1, the Term of this Agreement may be extended with express written amendment incorporating this Agreement signed by both Parties and one of the following City approvals: (a) City Council approval or (b) City Manager approval. An administrative extension of this Agreement by City Manager shall be limited to an additional term of one year and require written determination by the City Manager that Consultant has satisfactorily met all the requirements of this Agreement.

3. Compensation. City shall pay Consultant on a time and expense basis for Scope of Work performed under this Agreement at the billing rates set forth in Exhibit B, which is attached hereto and incorporated herein by this reference.

3.1 Not to Exceed Amount. Consultant's total compensation under this Agreement shall not exceed $1,357,333, one million three hundred fifty-seven thousand three hundred thirty-three dollars. Notwithstanding the foregoing, the payment of any funds under this Agreement shall be subject to the City of Tracy appropriation of funds for the Scope of Work. This Agreement shall automatically terminate in the event that such funds are not appropriated. Unless specifically stated otherwise or agreed to in writing and approved by City Council, the fees proposed by Consultant, as set forth in Exhibit B hereto, shall remain unchanged for the entire term of this Agreement and any extensions of this Agreement. It is understood and agreed that Consultant may not receive compensation up to the Not-to-Exceed Amount (or any other amount), and Consultant's total compensation under this Agreement will depend on the Scope of Work requested and approved by the City. 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 "Not-to-Exceed Amount" amount provided in this section without the City's prior written approval.

3.1.2. City Budget Limitations. This Agreement will terminate without penalty, liability or expense of any kind to City at the end of any fiscal year if funds are not appropriated for the next succeeding fiscal year for this Agreement. If funds are appropriated for a portion of the fiscal year, this Agreement will automatically terminate, without penalty, liability or expense of any kind at the end of the term for which funds are appropriated. City has no obligation to make appropriations for this Agreement in lieu of appropriations for new or other agreements. City budget decisions are subject to the discretion of the City Council. Consultant's assumption of risk of possible non-appropriation is part of the consideration for this Agreement.

3.2 Invoices. Consultant shall submit monthly invoice(s) to the City that describe in detail satisfactory to the City: the services performed, the times and dates of performance, and the names of the person(s) performing the Scope of Work.

3.2.1 If Consultant is providing the Scope of Work 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 this Section may result in the City rejecting said invoice(s) and thereby delaying payment to Consultant.

3.2.3 Consultant shall submit invoices no later than 90 days after completion of a portion of the Scope of Work. City has no obligation to pay invoices delivered greater than 90 days after the date of performance of the Scope of Work.

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 and portions of Scope of Work described on the invoice(s) and approved by the City.

3.4 Final Payment. The acceptance by Consultant of the final payment made under this Agreement shall constitute a release of City from all claims and liabilities for compensation to Consultant for anything completed, finished or relating to Consultant's services or performance of the Scope of Work. Consultant agrees that payment by City shall not constitute nor be deemed a release of the responsibility and liability of Consultant or its employees, subcontractors, agents and subconsultants for the accuracy and competency of the information provided and/or services performed hereunder, nor shall such payment be deemed to be an assumption of responsibility or liability by City for any defect or error in the Services performed by Consultant, its employees, subcontractors, agents and subconsultants.

3.5 Books and Accounts. Consultant agrees to maintain books, accounts, payroll records and other information relating to the performance of Consultant's obligations under the Agreement, which shall adequately and correctly reflect the expenses incurred by the Consultant in the performance of Consultant's work under the Agreement. Such books and records shall be open to inspection and audit by the City during regular business hours for three years after expiration or termination of this Agreement.

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, and reimburse the City for, any and all liabilities, obligations, losses, damages, injunctions, suits, actions, fines, penalties, claims, demands, administrative and judicial proceedings and order, judgments, remedial action requirements, costs and expenses of every kind or nature, and all costs and expenses incurred in connection therewith, including, without limitation, reasonable attorneys' fees and court costs ("**Claims**") arising directly or indirectly from or out of (including any and all related costs and expenses), relating or pertaining to or resulting from, in whole or in part, this Agreement; any act, omission, or event relating in any way to Consultant's obligations under this Agreement; and/or Consultant's breach of this Agreement, except to the extent such Claim is caused solely by the active negligence or willful misconduct of the City. In this Section 4, "City" means the City, its officials, officers, agents, employees and volunteers; "Consultant" means the Consultant, its employees, agents and subcontractors.

In the event there is a finding and/or determination that Consultant is not an independent contractor and/or is an employee of City, including but not limited to any such finding and/or determination made by the California Public Employees' Retirement System (CalPERS), the Department of Industrial Relations (DIR), or the Internal Revenue Service (IRS), Consultant shall, to the fullest extent permitted

by law, indemnify, defend, and hold harmless the City from and against any and all Claims relating to or in connection with such a finding and/or determination.

The provisions of this section survive the expiration 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 the Scope of Work 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 and in any event, within five (5) days of such request.

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 in its sole and absolute discretion, without cause, by giving ten (10) days' written notice to Consultant. Within five (5) days of such a termination, Consultant shall return and deliver the City all original documents relating to the Scope of Work in Consultant's possession or control, including, without limitation, preliminary drafts and supporting documents, and any other documents prepared by Consultant pursuant to this Agreement. The City shall pay Consultant for all services satisfactorily performed in accordance with this Agreement, up to the date the termination notice is given.

7. 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 Scope of Work, upon termination of this Agreement, or within five (5) days of any 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.

8. 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. Consultant shall be solely responsible for, and shall save the City harmless from, all matters relating to the payment of Consultant's employees, agents, subcontractors and subconsultants, including compliance with social security requirements, federal and State income tax withholding and all other regulations governing employer-employee relations.

9. 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. The Consultant represents that it is familiar with the local and state conflict of interest laws, and agrees to comply with those laws in performing this Agreement. The Consultant represents and warrants that the representations made by the Consultant concerning unfair competitive advantage and conflicts of interest in connection with its submissions in response to the City's procurement for this Agreement were true and accurate both when made and as of the date of this Agreement. Consultant represents and warrants that it has not and shall not offered or delivered any City officer, public official, or employee any gifts or donations in violation Federal, State and/or local law.

10. 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 any 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 the value of the rebate, kickback, or

other unlawful consideration; or otherwise recover the full amount of such rebate, kickback, or other unlawful consideration.

11. 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 the City:
City of Tracy
Attn: Ed Lovell, Transit Manager
333 Civic Center Plaza
Tracy, CA 95376

To Consultant:
ETA Transit Systems, Inc.
Attn: Nicole Castonguay, CEO
7700 Congress Ave., Suite 2201
Boca Raton, FL 33487

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

12. General Provisions.

12.1 Standard of Care. Unless otherwise specified in this Agreement, the standard of care applicable to Consultant's performance of the Scope of Work 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.

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

12.3 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. No waiver shall be effective unless it is in writing and signed by the waiving party.

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

12.5 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.

12.6 Compliance with the Law. Consultant shall comply with all applicable local, state, and federal laws, including, without limitation, those identified below, whether or not such laws are expressly stated in this Agreement.

12.6.1 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.

12.6.2 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.).

12.7. 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 authorized to do business in California, in good standing with the Secretary of State, and in good standing with all agencies having jurisdiction over Consultant (including any licensing agencies). If Consultant is a suspended entity at the time it enters this Agreement, City may take steps to have this Agreement declared voidable.

12.8 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.

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

12.10 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.

12.11 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.

12.12 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.

12.13 Entire Agreement. This Agreement and the attached Exhibits comprise the entire integrated understanding between the Parties concerning the services to be performed and the matters contemplated herein. This Agreement supersedes all prior negotiations, representations or agreements (in each case, whether oral or in writing). All exhibits attached hereto are incorporated by reference herein.

12.14 Counterparts. City and Consultant agree that this Agreement may be executed in two or more counterparts, each of which shall be deemed an original.

12.15 Expenses for Enforcement. Consultant and City agree that the prevailing party's reasonable costs, attorneys' fees and expenses, including investigation fees and expert witness fees, shall be paid by the non-prevailing party in any dispute involving the terms and conditions of this Agreement.

13. 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.

[Signature Page to Follow]

As of the date of latest signature below, the undersigned Parties agree to the full performance of the terms set forth in this Agreement and have caused this Agreement to be duly executed.

City of Tracy, a Municipal Corporation

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

Attest:

_____
Adrianne Richardson, City Clerk

Approved as to form:

_____
Bijal M. Patel, City Attorney

ETA Transit Systems, Inc., a Florida Corporation

By: Nicole Castonguay
Nicole M. Castonguay
Title: CEO
Date: 4/24/2024

Federal Employer Tax ID No. 73-1689659

By: Steven Friedman
Steven Friedman
Title: CFO
Date: 4/24/2024

Exhibits:

A	Scope of Work
B	Compensation

EXHIBIT A - Scope of Work

Consultant shall provide the following services at the specifications outlined in their submitted proposal, dated September 15, 2023, for up to the quantities listed for the initial installation and implementation. Additional units may be added during the term of this contract for the prices listed in Exhibit B. Specifications for all software and hardware shall be as outlined in the submitted proposal dated September 15, 2023.

Consultant shall install the following systems, including all necessary software and hardware needed to fully operate each system. All components shall be installed to specifications as listed in the consultant's submitted proposal dated September 15, 2023, unless superseded by an upgraded specification listed in the price proposal attached as Exhibit B. Training for each system shall also be included. All systems installed will have a 5 year hardware warranty and include an annual software and maintenance agreement.

Initial installation of all systems on all vehicles shall be completed to the satisfaction of City no later than December 1, 2024.

REQUIRED SYSTEMS TO BE INSTALLED:

Fixed Route Computer Aided Dispatch/Automatic Vehicle Location (CAD/AVL) System

- For 14 buses total + 2 spares
- Installation on 11 fixed route buses at commencement of contract
- Installation on 3 additional fixed route buses upon delivery of vehicles (estimated September 2024)

Automatic Voice Announcements (AVA) System

- For 14 buses total
- Installation on 11 fixed route buses at commencement of contract
- Installation on 3 additional fixed route buses upon delivery of vehicles (estimated September 2024)

Automatic Passenger Counting (APC) System

- For 14 buses
- Installation on 11 fixed route buses at commencement of contract
- Installation on 3 additional fixed route buses upon delivery of vehicles (estimated September 2024)

General Transit Feed Specification (GTFS) Real-time (RT)

- GTFS-RT Implementation for all fixed route buses

OPTIONAL SYSTEMS TO BE INSTALLED:

Bus Stop Digital Displays

- For up to 25 bus stops
- Installation of 5 digital bus stop displays at the Tracy Transit Station
- Installation of up to 20 digital bus stop displays at various locations throughout Tracy

Infotainment System

- Installation on 11 fixed route buses at commencement of contract
- Installation on 3 additional fixed route buses upon delivery of vehicles (estimated September 2024)
- Installation on 6 on-demand buses

Tracy Transit Station Displays

- Installation of internal lobby display screen at Tracy Transit Station
- Installation of 2 internal displays in dispatch and driver areas
- Installation of 4 external displays on existing display areas located at Tracy Transit Station designed to withstand exposure to the elements

Vehicle Inventory

Qty	Make	Year	Model	Length	# Doors	Farebox	Headsign	Cameras
5	Gillig	2017	Lowfloor	35’	1	Genfare Fastfare	Hanover	REI
4	Gillig	2021	Lowfloor	29’	1	Genfare Fastfare	Hanover	REI
2	ARBOC	2021	Spirit of Mobility	26’	1	Genfare Fastfare	Hanover	REI
4	Glaval	2021	Ford Transit T-350	21’	1	Genfare Fastfare	Hanover	REI
2	Ford	2021	Ford Transit 350EL	21’	1	Genfare Fastfare	Hanover	REI
3	Gillig	2024	Lowfloor	29’	1	Genfare Fastfare	Hanover	REI

EXHIBIT B - Compensation

City shall pay rates for various required components as listed in the attached price proposal. An additional $80,000 will be included in the not to exceed amount to account for contingency during installation and for additional components to be installed as needed during the term of the contract.

Items not needed during the installation phase will be deducted from the billing.

Price Proposal Total:	$1,137,338
Contingency:	$ 219,995
Total Not to Exceed:	$1,357,333

Quotation #: 20240214-BAFO rev4
Date: 2/14/2024

Agency: City of Tracy (TRACER)
Name: Ed Lovell, Transit Manager
Email: ed.lovell@cityoftracy.org
Payment terms: See milestone payment schedule

etatransit.com

Received by: Date:

FIXED-ROUTE BASE SYSTEM

PRODUCT	ITEM#	QTY.	PRICE	TAX	TOTAL	MILE
Vehicle logic unit (VLU) hardware • GPS • Cellular communications • Vehicle I/O for 1708, DIO	1	14	$ 1,732	$ 2,000	$ 26,248	1
VLU SPOT™ software modules • Location services • Guaranteed delivery services • Route awareness services	2	14	$ 250		$ 3,500	1
Rugged mobile data terminal (MDT) hardware • 10" viewable screen ** 10" option available* *UPDATED 11.27.2023: upgraded MDT from 7" to 10"*	3	14	$ 413	$ 477	$ 6,259	1
MDT mounting kit • RAM® mount	4	14	$ 275	$ 318	$ 4,168	1

MDT SPOT™ software modules • Driver login module • Route selection module • 2-way messaging module • System status module • Electronic passenger counting module ** Options available for additional modules*	5	14	$	150			$	2,100	1
Master disconnect switch • to allow system to gracefully shut down	6	14	$	53	$	61	$	803	1
Bus equipment and cable kits • Power harness • Antennas • **Roof mount antennas available as an Option (extension cable required)*	7	14	$	306	$	353	$	4,637	1
Hardware installation • Professional system installation • Vehicle testing and commissioning • Removal of existing equipment included	8	14	$	900			$	12,600	3
Single sign-on integrated with existing digital signage • Integration of head signs with ITS ** Options for fare collection single sign-on* *** Options for MVS single sign-on*	9	14	$	250			$	3,500	3
Single sign-on integrated with existing fare collection • Integration of digital fare collection system *UPDATED 11.27.2023: Added at customer request.*	10	14	$	500			$	7,000	3
Implementation • System setup • Project management • Manufacturing • Training • Testing • Documentation • Travel	11	1	$	15,000			$	15,000	3

Exteneded warranty • 5 year warranty on parts *UPDATE 11.27.2023 Added to quote*	12	1	$	36,102		$	36,102	5
Software license: Public website • Real-time arrival predictions • Service messages • Rider feedback • Sponsored links • Station/stop details • Trip planner • Local attractions • Rider alerts • Favorite route selection	13	1	$	-		$	-	5
Software license: Native phone apps • Customized to local experience • Real-time bus tracking • Color-coded routes • Display user GPS location • Real-time arrival predictions • Trip planning • Rider feedback • Sponsored links • Local attractions • GTFS-RT rider alerts via push notifications	14	1	$	-		$	-	5
Software license: ETA SPOT™ API • JSON API • GTFS import/export	15	1	$	-		$	-	5

Annual SaaS and Maintenance: SPOT™ ITS • Unlimited user accounts • Data retention for the life of the contract • Real-time arrival predictions • Dispatch module • Reports module • Route manager module • Instant replay module • Driver messaging module • Rider alerts (service announcements) module • Vehicle manager module • System configuration module • User administration module • Cellular data • Hosting • Maintenance • Technical support • Daily backups • SPOT console feature that notifies staff of a CEA event (Qty. equals number of vehicles X 12 months) *UPDATED 2.14.2024: removed covert emergency alarm recurrings*	16	168	$	75		$	12,600	6

Tax exempt certificate required for sales tax to be waived.

SUBTOTAL	$134,518
SALES TAX	INCLUDED
BASE SYSTEM TOTAL	**$134,518**
ANNUAL SaaS (BEYOND YEAR 1)	$12,600

AUTOMATIC VOICE ANNOUNCEMENTS (AVA)

Product	Item #	Qty.		Price		Tax		Total	Mile
Integration with (existing) monochromatic interior digital sign • Synchronize text with automatic onboard announcements audio	6	14	$	250	$	289	$	3,789	1
New monochromatic interior digital sign OPTIONAL • Synchronize text with automatic onboard announcements audio		0	$	1,073	$	-	$	-	1
Interior sign installation OPTIONAL • Professional system installation • Vehicle testing and commissioning		0	$	300	$	-	$	-	3

Implementation • System setup • Professional voice recordings * • Project management • Manufacturing • Training • Testing • Documentation • Travel ** recordings in additional languages shall be quoted separately as requested*	3	1	$	5,000		$	5,000	3
Annual SaaS and Maintenance: SPOT™ AVA • Audio recording as a service • System support	4	168	$	10		$	1,680	6

Tax exempt certificate required for sales tax to be waived.

SUBTOTAL	$10,469
SALES TAX	INCLUDED
AVA TOTAL	**$10,469**
ANNUAL SaaS (BEYOND YEAR 1)	$1,680

AUTOMATIC PASSENGER COUNTING (APC)

PRODUCT	ITEM#	QTY.		PRICE		TAX		TOTAL	MILE
Stereoscopic automatic passenger counter (APC) • Priced per bus/door	1	14	$	1,467	$	1,694	$	22,232	1
APC installation • Professional installation • Vehicle testing and commissioning	2	14	$	300			$	4,200	3
Implementation • System setup • Project management • Manufacturing • Training • Testing • Documentation • Travel	3	1	$	7,500			$	7,500	3
Annual SaaS and Maintenance: APC SaaS • Priced per bus, per month • Hosting • System maintenance and upgrades	4	168	$	15			$	2,520	6

Tax exempt certificate required for sales tax to be waived.

SUBTOTAL	$36,452
SALES TAX	INCLUDED
APC TOTAL	**$36,452**
ANNUAL SaaS (BEYOND YEAR 1)	$2,520

GTFS REAL-TIME (GTFS-RT)

PRODUCT	ITEM#	QTY.	PRICE	TAX	TOTAL	MILE
Implementation • System setup • Project management • Testing • Documentation	1	1	$ 5,000		$ 5,000	3
Annual SaaS and Maintenance: SPOT™ GTFS-RT • Real-time data feed • Maintenance • Technical support *(Qty. equals number of vehicles X 12 months)*	2	1	$ 5,000		$ 5,000	6

Tax exempt certificate required for sales tax to be waived.

SUBTOTAL	$10,000
SALES TAX	INCLUDED
GTFS-RT TOTAL (YEAR 1)	**$10,000**
ANNUAL SaaS (BEYOND YEAR 1)	$5,000

INFOTAINMENT

PRODUCT	ITEM#	QTY.	PRICE	TAX	TOTAL	MILE
Onboard media management controller *UPDATED 2.14.2024: Qty reduced to 6*	1	6	$ 1,982	$ 981	$ 12,873	1
37" inch ultra-wide LCD screen *UPDATED 11.27.2023 Upgraded to 37" ultra wide LCD*	2	14	$ 3,000	$ 3,465	$ 45,465	1

15 inch LCD Screen *for demand response vans* *UPDATED 2.14.2024: Qty reduced to 6*	3	6	$	888	$	440	$	5,768	1
LCD mounting bracket	4	20	$	91	$	150	$	1,970	1
Power harness	5	20	$	17	$	28	$	368	1
20' HDMI cable	6	20	$	85	$	140	$	1,840	1
Infotainment system installation • Professional installation; system integration *UPDATED 11.27.2023: added installation for 37" ultra-wide LCD*	7	20	$	750			$	15,000	3
Infotainment audio integration	8	20	$	500			$	10,000	3
Implementation • System setup • Project management • Manufacturing • Training • Testing • Documentation • Travel *UPDATED 2.14.2024: reduced from $15K to $10K*	9	1	$	10,000			$	10,000	3
Annual SaaS and maintenance SPOT™ Infotainment • Priced per screen • Hosting • CMS SaaS • Maintenance & support 14 Buses 6 on demand	10	240	$	50			$	12,000	6
Annual infotainment cellular data • ETA suggests a dataplan between 10-20GB	11	240	$	50			$	12,000	6

Tax exempt certificate required for sales tax to be waived.

SUBTOTAL $127,284

SALES TAX	INCLUDED
INFOTAINMENT TOTAL	**$127,284**
ANNUAL SaaS (BEYOND YEAR 1)	$24,000

E-PAPER DIGITAL DISPLAYS

PRODUCT	ITEM#	QTY.	PRICE	TAX	TOTAL	MILE
Double e-paper digital display; illuminated UPDATED 2.14.2024: Qty increased to 25	1	25	$ 5,367	$ 11,069	$ 145,244	1
20W solar power kit ** 40W solar power kit also available*	2	25	$ 1,088	$ 2,244	$ 29,444	1
Mounting poles *UPDATED 2.14.2024: ETA will attempt to reuse existing poles, will be quoted as needed*	3	0	$ 494	$ -	$ -	1
Mounting brackets	4	25	$ 188	$ 388	$ 5,088	1
TTS Module	5	25	$ 450		$ 11,250	1
Interactive button functionality • Activates TTS • Illuminates sign	6	25	$ 263		$ 6,575	1
Extended warranty (for years 3 and beyond) calculated for term of this project *UPDATED 2.14.2024: One-time charge for 5 years of warranty*	7	1	$ 36,311		$ 36,311	1
System installation • Post and e-paper installation **Permits and construction are not included*	8	25	$ 400		$ 10,000	3

Implementation • System setup; GTFS-RT integration • Project management • Manufacturing • Training • Testing • Documentation • Travel *** Integration with any other API shall be quoted separately* *UPDATED 2.14.2024: Reduced from $20K to $15K*	9	1	$ 15,000		$ 15,000	3
Shipping	10	25	$ 548		$ 13,695	3
Annual SaaS and maintenance SPOT™ e-paper *(Qty. = # of displays X 12 months)*	11	300	$ 38		$ 11,400	6

Tax exempt certificate required for sales tax to be waived.

SUBTOTAL	$284,007
SALES TAX	INCLUDED
E-PAPER TOTAL	**$284,007**
ANNUAL SaaS (BEYOND YEAR 1)	$11,400

STATIONARY LCD DISPLAYS (transit center)

PRODUCT	ITEM#	QTY.	PRICE	TAX	TOTAL	MILE
50 inch outdoor, weather-proof LCD monitor	1	4	$ 9,500	$ 3,135	$ 41,135	1
85" indoor LCD display for transit center	2	1	$ 7,500	$ 619	$ 8,119	1
Media management controller	3	5	$ 1,469	$ 606	$ 7,951	1
Media management software license	4	5	$ 3,000		$ 15,000	1
Media management controller enclosure	5	4	$ 625	$ 206	$ 2,706	1
Outdoor enclosure • Weather resistant • Vandal resistant	6	4	$ 2,000	$ 660	$ 8,660	1

System installation	7	5	$	2,000		$ 10,000	3
Implementation • System setup • Project management • Manufacturing • Training • Testing • Documentation • Travel ** Unless LCD is to be wall mounted, a pre-installation inspection shall be required. Prices subject to change* ***Permits and construction not included in this quote* *UPDATED 2.14.2024: Reduced from $20K to $15K*	8	1	$	20,000		$ 20,000	3
Annual Infotainment upgade software • Infotainment CMS module SaaS • Maintenance and support • Priced per screen/month	9	60	$	100		$ 6,000	6
Annual SPOT™ infotainment annual cellular data plan • Priced per outdoor infotainment location • 12 months of cellular data *UPDATED 2.14.2024: Qty reduced to 0, Ethernet is available. Will be quoted as needed.*	10	0	$	864		$ -	6

Tax exempt certificate required for sales tax to be waived.

SUBTOTAL	$119,571
SALES TAX	INCLUDED
OUTDOOR LCD DISPLAY TOTAL	**$119,571**
ANNUAL SaaS (BEYOND YEAR 1)	$6,000

INDOOR STATIONARY LCD DISPLAYS OPTIONAL

PRODUCT	ITEM#	QTY.	PRICE	TAX	TOTAL	MILE

48" LCD for break room	1	1	$	2,500	$	206	$	2,706	1
55" LCD for dispatch office	2	1	$	2,500	$	206	$	2,706	1
Media management controller	3	2	$	1,469	$	242	$	3,180	1
Media management software license	4	2	$	3,000			$	6,000	1
Media management controller enclosure	5	2	$	625	$	103	$	1,353	1
Mounting bracket • Pricing includes wall mount kit. Custom frames/kiosks quoted separately	6	2	$	300	$	50	$	650	1
System installation • Estimated cost; firm price to follow pre-build site survey	7	2	$	1,063			$	2,126	3
Implementation • System setup • Project management • Manufacturing • Training • Testing • Documentation • Travel ** Unless LCD is to be wall mounted, a pre-installation inspection shall be required. Prices subject to change* ***Permits and construction not included in this quote*	8	1	$	5,000			$	5,000	3
Annual SPOT™ infotainment annual cellular data plan • Priced per outdoor infotainment location • 2 months of cellular data *Shall be removed from quote if wired Ethernet or WiFi is made available* *UPDATED 2.14.2024: reduced qty to 0, ethernet is provided*	9	0	$	864			$	-	6

Tax exempt certificate required for sales tax to be waived.

SUBTOTAL	$23,722
SALES TAX	INCLUDED
OUTDOOR LCD DISPLAY TOTAL	**$23,722**
ANNUAL SaaS (BEYOND YEAR 1)	$0

ONBOARD BROADBAND CELLULAR ROUTER

PRODUCT	ITEM#	QTY.	PRICE	TAX	TOTAL	MILE
Broadband cellular router • Cellular communications • Vehicle I/O for 1708, DIO	1	14	$ 1,991	$ 2,300	$ 30,174	1
Bus equipment and cable kits • Power harness • Antennas	2	14	$ 625	$ 722	$ 9,472	1
Hardware installation • Professional system installation • Vehicle testing and commissioning	3	14	$ 600		$ 8,400	3
Implementation • System setup • Project management • Manufacturing • Testing • Documentation	4	1	$ 5,000		$ 5,000	3
Annual NetCloud™ SaaS plus ETA maintenance/support • QoS • Black lists • Network monitoring • Maintenance • Technical support	5	14	$ 405		$ 5,670	6
Annual SPOT™ onboard router cellular data plan • Priced per bus/month • 12 months of cellular data *(Qty. equals number of vehicles X 12 months)*	6	168	$ 60		$ 10,080	6
Annual SaaS and maintenance SPOT™ onboard router • Real-time data feed • Maintenance • Technical support *(Qty. equals number of vehicles X 12 months)*	7	168	$ 8		$ 1,344	6

Tax exempt certificate required for sales tax to be waived.

SUBTOTAL	$70,139
SALES TAX	INCLUDED
ROUTER TOTAL (YEAR 1)	**$70,139**
ANNUAL SaaS (BEYOND YEAR 1)	$17,094

PACKAGE OPTIONS

Package	Qty.		Total
Fixed route base package	1	$	134,518
Onboard announcements package	1	$	10,469
Automatic passenger counting package	1	$	36,452
GTFS-RT package	1	$	10,000
In-vehicle infotainment package	1	$	127,284
Stationary e-paper display system package	1	$	284,007
Stationary LCD display system package	1	$	119,571
Onboard cellular router package	1	$	70,139
Indoor Stationary LCD Displays OPTIONAL	1	$	23,722

YEAR 1 PROJECT TOTAL	**$816,162**

ANNUAL CHARGES

Package	Qty.	Total
Fixed route base package annual subscription and maintenance	1	$12,600
Onboard announcements package annual subscription and maintenance	1	$1,680
Automatic passenger counting package annual subscription and maintenance	1	$2,520
GTFS-RT package annual subscription and maintenance	1	$5,000
In-vehicle infotainment package annual subscription and maintenance	1	$24,000
Stationary e-paper display system package annual subscription and maintenance	1	$11,400
Stationary LCD display system package annual subscription and maintenance	1	$6,000
Onboard cellular router package annual subscription and maintenance	1	$17,094

ANNUAL CHARGES	$80,294
GRAND TOTAL 5 YEARS	**$1,137,338**

MILESTONE SCHEDULE

Mile	Description		Total	Deliverables
1	System design (50% Implementation costs)	$	92,011	Pre-installation site visit and documentation
2	Software licenses and warranty	$	36,102	Delivery of SPOT Console portal
3	Hardware components	$	515,745	Hardware delivery to customer location
4	Installation and vehicle static test (25% Implementation costs)	$	46,005	Hardware installation on first vehicle (by bus type) and static test report
5	Dynamic testing and training (25% implementation)	$	46,005	Dynamic test procedure report, training and manuals
6	Recurring items: Year 1	$	80,294	After 2 week burn-in (from customer-witnessed test) warranty; SaaS anniversary begins
7, 8, 9, 10	Recurring items: Years 2–5	$	321,176	Each SaaS anniversary
			GRAND TOTAL 5 YEARS	$1,137,338

ADDITIONAL OPTIONS

PRODUCT	ITEM#	QTY.	PRICE	TAX	TOTAL	MILE
Spare parts • Two bus sets of "HOT/Active" Base system equipment (VLU, MDT, Master disconnect switch, cable kits, etc) • 5 years of warranty included • SaaS and support included	1	2	$ 7,909	$ -	$ 15,817	1
Additional site visits (beginning beginning after acceptance) · On-site vehicle check up and maintenance · Additional training *two analysts, 2 days* *UPDATED 11.27.2023: Added to quote as an option*	2	4	$ 8,000		$ 32,000	5

PREPARED BY:

NAME: Jose Mostajo
TITLE: Senior Sales Representative Central Region
ADDRESS: 7700 Congress Avenue, Suite 2201
Boca Raton, FL 33487
PHONE: (561) 288-1930
EMAIL: jmostajo@etatransit.com



Terms and conditions of sale

Unit prices are valid only for the total number of units quoted. Lesser quantities (or years) may require a higher price per unit cost because of certain fixed costs.

Prices in this quotation are valid for ninety (90) days from the date of quotation or proposal and are applicable to the quantities herein. Changes to packages and/or quantities may require a revised quotation.

No refund shall be provided for returned parts without written authorization from authorized ETA representatives.

Estimated lead time for delivery is 4 weeks. A formal lead time estimate shall be provided by ETA ARO.

Delivery is F.O.B. ETA Transit Systems, Inc. 7700 Congress Avenue #2201 Boca Raton, FL 33487

ETA TRANSIT SYSTEMS (ETA) WARRANTY POLICY

ETA guarantees that each product is free from defects in material and workmanship. ETA's warranty is in effect for two (2) years from the original ship date from ETA. ETA will furnish to customer its Warranty and Support agreement ARO or upon request

REVIEWED BY:

Nicole Castonguay

Nicole M Castonguay, CEO
ETA Transit Systems

4/24/2024
Date:

ACCEPTED BY:

Signature: _____

Name and title: _____

Date: _____

APPROVED AS TO FORM AND LEGALITY

_____
CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

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(1) APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH ETA TRANSIT SYSTEMS, INC. FOR INSTALLATION OF INTELLIGENT TRANSIT SYSTEMS SOFTWARE AND HARDWARE FOR THE TRACER BUS SYSTEM WITH A CONTRACT PRICE NOT TO EXCEED $1,357,333, AN INITIAL FIVE-YEAR TERM, AND ADMINISTRATIVE OPTION TO EXTEND FOR ONE ADDITIONAL YEAR, AND (2) AUTHORIZING THE CITY MANAGER, OR DESIGNEE, TO SIGN ANY ANCILLARY SUPPORT AGREEMENTS.

WHEREAS, The City of Tracy has provided fixed route bus service to the community since 2001; and

WHEREAS, The City desires to install additional technology components on the City buses to allow for more effective operations, better data collection, and to provide passengers with a better customer experience; and

WHEREAS, The City released a Request for Proposals (RFP) in August 2023, in which five proposals were received and evaluated; and

WHEREAS, Pursuant to Tracy Municipal Code Sections 2.20.140(a)(2) and 2.20.130, ETA Transit Systems was found to offer the best value proposal in terms of both price and qualitative considerations including technical design and approach, and the most qualified and competent to meet the City's needs for services; now, therefore, be it

RESOLVED: That the City Council of the City of Tracy approves the Professional Services Agreement with ETA Transit Systems, Inc. attached hereto as Attachment A for installation of Intelligent Transit Systems software and hardware for the Tracer bus system with a total compensation amount not to exceed $1,357,333, and initial five-year term; and be it further

RESOLVED: That the City Council authorizes the Mayor to execute the Professional Services Agreement with ETA Transit Systems, Inc. as approved hereby; and be it further

RESOLVED: That the City Council authorizes the City Manager to administratively extend the Professional Services Agreement with ETA Transit Systems, Inc. for one additional year; and be it further

RESOLVED: That the City Council authorizes the City Manager, or designee, to sign any ancillary support agreements.

* * * * * * * * * * * * * *

The foregoing Resolution 2024-_____ was adopted by the Tracy City Council on May 21, 2024, 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

Attachments:

Attachment A – ETA Transit Systems PSA

May 21, 2024

Agenda Item 1.E

RECOMMENDATION

Staff recommends that the City Council adopt a resolution (1) accepting the construction for the Water Treatment Plant HVAC Replacement – Blower Building Project, Capital Improvement Project 75171 (Project), completed by B&M Builders Inc. of Rancho Cordova, California, (2) authorizing the City Clerk to File the Notice of Completion with the San Joaquin County Recorder's Office, (3) authorizing the City Engineer to release the bonds and retention payment in accordance with State law; and (4) authorizing the Finance Department to close the Project.

EXECUTIVE SUMMARY

City staff requests that the City Council accept the construction for the Water Treatment Plant HVAC Replacement – Blower Builders Inc., Capital Improvement Project (CIP) 75171 (Project), completed by B&M Builders Inc. (Contractor). Project costs are within the available budget and work was completed in a timely manner and in accordance with plans and specifications as approved. Staff recommends that the City Council accept this Project as complete.

BACKGROUND AND LEGISLATIVE HISTORY

CIP 75171 for Water Treatment Plant HVAC Replacement – Blower Building Project was established as an emergency maintenance project funded by the Water Operations budget for FY2022-2023. This Project replaced a failing cooling system that protects electrical equipment from overheating in the blower building. Failure of this electrical system could lead to unanticipated plant shutdowns.

Engineering staff prepared the plans and specifications and advertised the Project for competitive bids on February 17, 2023, and February 24, 2023. Bids were received and opened on March 14, 2023, at 2:00 p.m. Bid analysis indicated that the lowest monetary bid is responsive, and the Contractor was responsible. Further, the Contractor had the appropriate contractor's license in active standing with the State of California and had completed similar projects within the City of Tracy.

On May 2, 2023, the City Council awarded, by Resolution No. 2023-073, the Water Treatment Plant HVAC Replacement – Blower Building Project, CIP 75171, to B&M Builders Inc., with a not-to-exceed construction project budget of $158,610 and authorized the City Manager to approve change orders up to the contingency amount of $23,792 if needed.

ANALYSIS

The Contractor has now completed all the work required in accordance with the plans and specifications and City staff is requesting acceptance of the Project. The City Engineer has inspected the completed work and confirmed that all work conforms to the contract plans and specifications and has been completed within the time frame of the original contract.

The Contractor provided a one-year Warranty Bond, a Payment Bond, and a Performance Bond with the contract documents after contract award. Once the Project has been accepted by the

City Council, the City Engineer will release the Payment Bond and Performance Bond in accordance with State law. The City Engineer will release the Warranty Bond when the warranty period expires one year after Project acceptance in accordance with State law.

FISCAL IMPACT

The Water Treatment Plant HVAC Replacement – Blower Building Project, CIP 75171, established as an emergency maintenance project funded from the Water Operations budget, with an approved budget of $615,550. The total completed cost is $237,494 and the remaining balance will be released back into the Water Enterprise Capital Fund (F513).

Final Project costs were within budget as follows:

A.	Construction Contract Amount	$	158,610
B.	Approved Change Orders	$	-
C.	Design, construction management, inspection, testing & miscellaneous project management expenses	$	78,884
	Total Project Costs	$	237,494
	Total Budget Amount	$	615,550
	Budget Remaining	$	378,056

PUBLIC OUTREACH / INTEREST

No Public Outreach was conducted or required for this Project.

COORDINATION

Coordination between the Engineering Division and Utilities Water Operations Division was conducted.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) DETERMINATION

The Project is categorically exempt from CEQA pursuant to CEQA Guidelines Section 15301, which pertains to the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of an existing facility.

STRATEGIC PLAN

This agenda item supports the City of Tracy's Quality of Life Strategic Priority.

ACTION REQUESTED OF THE CITY COUNCIL

That the City Council, by resolution, (1) accept the construction for the Water Treatment Plant HVAC Replacement – Blower Building Project, Capital Improvement Project 75171 (Project), completed by B&M Builders Inc. of Rancho Cordova, California, (2) authorize the City Clerk to File the Notice of Completion with the San Joaquin County Recorder's Office, (3) authorize the

City Engineer to release the bonds and retention payment in accordance with State law; and (4) authorize the Finance Department to close the Project.

Prepared by: Leisser P. Mazariegos, Associate Engineer

Reviewed by: Koosun Kim, PE, City Engineer
Sara Cowell, Finance Director
Jeff Crosswhite, Assistant City Attorney
Karin Schnaider, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

APPROVED AS TO FORM AND LEGALITY

_____
CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION 2024-_____

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(1) ACCEPTING THE CONSTRUCTION FOR THE WATER TREATMENT PLANT HVAC REPLACEMENT – BLOWER BUILDING PROJECT, CAPITAL IMPROVEMENT PROJECT 75171 (PROJECT) COMPLETED BY B&M BUILDERS INC., OF RANCHO CORDOVA CALIFORNIA, (2) AUTHORIZING THE CITY CLERK TO FILE THE NOTICE OF COMPLETION WITH THE SAN JOAQUIN COUNTY RECORDER'S OFFICE, (3) AUTHORIZING THE CITY ENGINEER TO RELEASE THE BONDS AND RETENTION PAYMENT IN ACCORDANCE WITH STATE LAW, AND (4) AUTHORIZING THE FINANCE DEPARTMENT TO CLOSE THE PROJECT.

WHEREAS, the Water Treatment Plant HVAC Replacement – Blower Building Project, Capital Improvement Project (CIP) 75171(Project), was established as an emergency maintenance project funded by the Water Operations budget for FY2022-2023. This Project replaced a failing cooling system that protects electrical equipment from overheating in the blower building. Failure of this electrical system could lead to unanticipated plant shutdowns; and

WHEREAS, Engineering staff prepared the plans and specifications and advertised the Project for competitive bids on February 17, 2023, and February 24, 2023. Bids were received and opened on March 14, 2023, at 2:00 p.m.; and

WHEREAS, no change orders were issued; and

WHEREAS, the Contractor has now completed all the work required in accordance with the plans and specifications and City staff is requesting acceptance of the Project and the City Engineer has inspected the completed work and confirmed that all work conforms to the contract plans and specifications and has been completed within the time frame of the original contract; and

WHEREAS, the Contractor provided a one-year Warranty Bond, Payment Bond, and a Performance Bond with contract documents after contract award; and

WHEREAS, the Water Treatment Plant HVAC Replacement – Blower Building Project, CIP 75171, established as an emergency maintenance project funded from the Water Operations budget, with an approved budget of $615,550; and

WHEREAS, the total completed cost is $237,494 and the remaining balance will be released back into the Water Enterprise Capital Fund (F513); and

WHEREAS, the final Project costs were within budget as follows:

A.	Construction Contract Amount	$	158,610
B.	Approved Change Orders	$	-
C.	Design, construction management, inspection, testing & miscellaneous project management expenses	$	78,884
	Total Project Costs	$	237,494
	Total Budget Amount	$	615,550
	Budget Remaining	$	378,056

; now, therefore, be it

RESOLVED: That the City Council of the City of Tracy, hereby accepts the construction work completed by B&M Builders Inc. of Rancho Cordova, California, for the Water Treatment Plant HVAC Replacement – Blower Building Project, CIP 75171; and be it

FURTHER RESOLVED: That the City Council authorizes the City Clerk to File the Notice of Completion with the San Joaquin County Recorder's Office; and be it

FURTHER RESOLVED: That the City Council authorizes the City Engineer to release the bonds and retention payment in accordance with State Law; and be it

FURTHER RESOLVED: That the City Council finds that the Project is categorically exempt from CEQA (California Environmental Quality Act) pursuant to CEQA Guidelines Section 15301, which pertains to the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of an existing facility; and be it

FURTHER RESOLVED: That the City Council authorizes the City of Tracy Finance Department to close the Project.

* * * * * * * * * * * * * *

The foregoing Resolution 2024-_____ was adopted by the Tracy City Council on the 21st day of May 2024 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

May 21, 2024

Agenda Item 1.F

RECOMMENDATION

The Tracy Finance Committee recommends that the City Council adopt a Resolution amending the City's Operating and Capital Budget for Fiscal Year 2023-2024.

EXECUTIVE SUMMARY

The Tracy Finance Committee recommends that the City Council adopt a Resolution amending the City's Operating and Capital Budget for the Fiscal Year ending June 30, 2024. On June 06, 2023, Council adopted the Fiscal Year (FY) 2023-24 Operating and Capital Budget. This report provides an update of the City's current financial performance, for Third Quarter (Q3), through March 31, 2024. This financial summary identifies Q3 General Fund revenue and expenditure actuals and encumbrances and recommends minor amendments to the FY 2023-24 budget.

The Tracy Finance Committee heard this item on April 29, 2024, and recommended that the City Council adopt this proposed Resolution.

BACKGROUND

Quarterly, staff prepares a report to the City Council on the year-to-date revenues and expenditures as compared to the amended budget. This report provides an update and summary of the City's current financial performance, for FY 2023-24 Third Quarter (Q3) through March 31, 2024, and requests that the City Council amend revenue and expenditures for the FY 2023-24 budget.

ANALYSIS

As of March 31, 2024, the General Fund expenditures are approximately 63% of the approved operating budget. General Fund revenues collected in Q3 (as of March 31, 2024), reflect approximately 75% of estimated revenues. City revenues tend to lag a quarter behind, and many revenues will appear lower as a result. For example, General Fund revenues in Property Tax, as well as VLF/Property Tax, are distributed in December and April and will appear in the second and fourth quarter reports. The City's Sales Tax are one-quarter in arrears and will appear after the second quarter, and first quarter collections represent advances from the State based on prior year collections, not necessarily actual collection by the State.

The chart below reviews year-to-date revenues and expenditures as compared to the amended budget as of March 31, 2024 (Third Quarter-Q3). For comparison, FY 2022-23 Q3 actuals are also provided.

FY 2023-24 General Fund Budget to Actuals

REVENUES (in thousands)	FY 22/23 Q3	FY 23/24 Adopted	FY 23/24 Amended	FY 23/24 Actual Q3	% of Budget
Property Tax	$ 16,784	$ 32,751	$ 32,751	$ 18,093	*55%*
Sales Tax	37,756	65,951	65,951	50,435	*76%*
Sales Tax Measure V	5,411	12,647	12,647	7,128	*56%*
Other Taxes	1,847	7,300	7,300	9,867	*135%*
Other Revenues	15,878	19,308	21,053	18,685	*89%*
Total Revenues	**$ 77,676**	**$ 137,957**	**$ 139,702**	**$ 104,208**	*75%*

EXPENDITURES (in thousands)					% of Budget
Personnel	$ 38,704	$ 57,502	$ 57,681	$ 42,450	*74%*
Contracted Services	23,270	28,189	29,505	23,753	*81%*
Operational Supplies & Equipment	1,615	3,178	4,217	1,903	*45%*
Utilities	1,953	2,582	2,607	1,884	*72%*
Internal Service Charges	8,437	12,881	12,904	9,518	*74%*
Capital	349	534	1,901	1,218	*64%*
Other Payments	339	762	812	483	*59%*
Net Transfers In/(Out)	1,577	28,772	29,683	6,318	*21%*
Total Expenditures	**$ 76,244**	**$ 134,400**	**$ 139,310**	**$ 87,527**	*63%*
Total Change in Net Position	$ 1,432	$ 3,557	$ 392	$ 16,681	

The Other Taxes revenue category includes Cannabis, Business License and Transient Occupancy Taxes (TOT). The chart below reviews year-to-date revenues as compared to the amended budget as of March 31, 2024 (Third Quarter-Q2). For comparison, FY 2022-23 Q3 actuals are also provided.

Other Taxes (in thousands)	FY 22/23 Q3	FY 23/24 Adopted	FY 23/24 Amended	FY 23/24 Actual Q3	% of Budget
Cannabis	$ -	$ -	$ -	$ 213	*0%*
Business License	684	4,500	4,500	8,654	*192%*
Transient Lodging	1,164	2,800	2,800	999	*36%*
Total Other Taxes	**$ 1,848**	**$ 7,300**	**$ 7,300**	**$ 9,866**	*135%*

The Other Revenues category includes:

- Charges for Services - Recreation & Arts Program Fees, Right of Way Maintenance Fees (Water/Wastewater) and Central Administration Services
- Contributions
- Fines and Forfeitures – Citations, Fines & Penalties
- Licenses and Permits - PD & Animal Services and Franchise Fees
- Other Revenues
- Revenues from Other Agencies – State/County Grants (PD)
- Special Assessments
- Use of Money – Interest Earnings (Quarterly Allocation across funds)

The chart below reviews year-to-date revenues as compared to the amended budget as of March 31, 2024 (Third Quarter-Q3). For comparison, FY 2022-23 Q3 actuals are also provided.

Other Revenues (in thousands)	FY 22/23 Q3	FY 23/24 Adopted	FY 23/24 Amended	FY 23/24 Actual Q3	% of Budget
Charges for Services	$ 9,519	$ 12,025	$ 12,025	$ 8,561	*0%*
Contributions	148	-	-	186	*0%*
Fines and Forfeitures	124	122	122	159	*130%*
Licenses and Permits	2,036	4,808	4,808	2,436	*51%*
Other Revenues	668	753	753	611	*81%*
Revenues From Other Agencies	2,080	601	2,345	2,481	*106%*
Use of Money	600	1,000	1,000	4,250	*425%*
Total Other Revenues	**$ 15,175**	**$ 19,309**	**$ 21,053**	**$ 18,684**	*89%*

FY 2023-24 Third Quarter (Q23) Operating Budget Augmentations

The following table is a summary of all recommended Q3 budget augmentations for FY 2023-24. They are listed by department, with General and Non-General fund totals separated, and categorized as one time or on-going expenses.

Department	Description	General Fund	Other Fund	On Going	One Time
Human Resources	Contract Services	$30,000			$30,000
Non-Departmental	Contract Services	$200,317			$200,317
Parks, Recreation & Community Services	Contract Services		$37,000		$37,000
	Total:	**$230,317**	**$37,000**	**$0**	**$267,317**

General Fund Non- Personnel Augmentations

Human Resources

Human Resources is asking for a one-time increase to contracted services for executive recruitments.

Non-Departmental

This adjustment is for final adopted budget for South San Joaquin County Fire Authority (SSJCFA). At the time of City's adoption, the SSJCFA budget had not been formally adopted as their final date after the City's. The variance between the preliminary provided and their proposed final budget directly tied to the labor contracts approved by both member agencies.

Other Funds Non-Personnel Augmentations

Parks, Recreation & Community Services

The Parks Maintenance Division is requesting one-time funding for contract services to maintain landscaping and parks in the Ellis CFD and Citywide CFD.

FISCAL IMPACT

Quarterly, staff prepares a report to the City Council on the year-to-date revenues and expenditures as compared to the amended budget as of March 31, 2024 (Third Quarter Q3). Staff is recommending amendments to the City Operating and Capital Budget for FY 2023-24. The FY 2023-24 proposed budget appropriations of $230,317 General Fund and $37,000 from other funds.

SUMMARY OF NEW BUDGET AUGMENTATIONS FOR (Q3) FY 2023-24

Department	Description	General Fund	Other Fund	On Going	One Time
Human Resources	Contract Services	$30,000			$30,000
Non-Departmental	Contract Services	$200,317			$200,317
Parks, Recreation & Community Services	Contract Services		$37,000		$37,000
	Total:	**$230,317**	**$37,000**	**$0**	**$267,317**

STRATEGIC PLAN

This agenda item supports the City's Governance Strategic Priority, with Goal 2: Ensure short and long-term fiscal health.

ACTION REQUESTED OF THE CITY COUNCIL

The Tracy Finance Committee recommends that the City Council adopt a Resolution amending the City's Operating and Capital Budget for Fiscal Year 2023-24.

Prepared by: Felicia Galindo, Budget Officer

Reviewed by: Sara Cowell, Director of Finance
Bijal Patel, City Attorney
Karin Schnaider, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

APPROVED AS TO FORM AND LEGALITY

_____
CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. 2024-

AMENDING THE CITY'S OPERATING AND CAPITAL BUDGET FOR FISCAL YEAR ENDING JUNE 30, 2024.

WHEREAS, The City Council, on June 6, 2023, adopted the Fiscal Year (FY) FY 2023-24 Operating and Capital Budget for the City of Tracy (City); and

WHEREAS, Based upon a review of revenues and expenditures, the City Manager has prepared and proposed additional amendments to the FY 2023-24 budget, as set forth in Exhibit 1; and

WHEREAS, The Human Resources Department will be receiving one-time funding to contract services for executive recruitments; and

WHEREAS, A Non-Departmental adjustment is needed for the City's portion of the South San Joaquin County Fire Authority budget; and

WHEREAS, The Parks and Recreation Department Parks Maintenance Division will be getting increases for contract services maintain landscaping and parks in the Ellis Community Facilities District (CFD) and Citywide CFD; and

WHEREAS, The Tracy Finance Committee heard this item on April 29, 2024 and recommended that the City Council adopt this proposed Resolution; and

WHEREAS, The City Council has considered information related to these matters, as presented at a public meeting of the City Council, including any supporting documents and reports by City staff, and any information provided during that public meeting; and

WHEREAS, The City Council has reviewed the level of budgeting control needed by the City Manager to ensure efficiency in managing the operations of the City, including the authorization of budget transfers between funds; now, therefore, be it

RESOLVED: That the City Council of the City of Tracy hereby adopts the Amended Operating and Capital Budget for Fiscal Year 2023-24, as set forth in Exhibit 1.

* * * * * * * * * * * * * *

The foregoing Resolution 2024-_____ was adopted by the Tracy City Council on May 21, 2024, 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

ATTACHMENTS:

Exhibit 1: FY 2023-24 General Fund Budget to Actuals & Q3 Budget Amendments

Exhibit 1

FY 2023-24 General Fund Budget to Actuals

REVENUES (in thousands)	**FY 22/23 Q3**	**FY 23/24 Adopted**	**FY 23/24 Amended**	**FY 23/24 Actual Q3**	***% of Budget***
Property Tax	$ 16,784	$ 32,751	$ 32,751	$ 18,093	*55%*
Sales Tax	37,756	65,951	65,951	50,435	*76%*
Sales Tax Measure V	5,411	12,647	12,647	7,128	*56%*
Other Taxes	1,847	7,300	7,300	9,867	*135%*
Other Revenues	15,878	19,308	21,053	18,685	*89%*
Total Revenues	**$ 77,676**	**$ 137,957**	**$ 139,702**	**$ 104,208**	*75%*
EXPENDITURES (in thousands)					***% of Budget***
Personnel	$ 38,704	$ 57,502	$ 57,681	$ 42,450	*74%*
Contracted Services	23,270	28,189	29,505	23,753	*81%*
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Utilities	1,953	2,582	2,607	1,884	*72%*
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Other Payments	339	762	812	483	*59%*
Net Transfers In/(Out)	1,577	28,772	29,683	6,318	*21%*
Total Expenditures	**$ 76,244**	**$ 134,400**	**$ 139,310**	**$ 87,527**	*63%*
Total Change in Net Position	$ 1,432	$ 3,557	$ 392	$ 16,681	

Department	Description	General Fund	Other Fund	On Going	One Time
Human Resources	Contract Services	$30,000			$30,000
Non-Departmental	Contract Services	$200,317			$200,317
Parks, Recreation & Community Services	Contract Services		$37,000		$37,000
	Total:	**$230,317**	**$37,000**	**$0**	**$267,317**

May 21, 2024

Agenda Item 1.G

RECOMMENDATION

The Tracy Homelessness Advisory Committee recommend that the City Council adopt a Resolution approving Amendment No. 1 to the General Services Agreement with United Site Services of California, Inc. at the Temporary Emergency Housing Facility, Capital Improvement Project 71112, at 370 West Arbor Avenue, to increase the original scope of service, increase the total not-to-exceed amount to $255,563.51, and extend the term from May 31, 2024 to June 30, 2025.

EXECUTIVE SUMMARY

An amendment to the General Services Agreement (Agreement) with United Site Services of California, Inc. (Contractor) at the Temporary Emergency Housing Facility, City Capital Improvement Project (CIP) 71112, located at 370 West Arbor Avenue, Tracy, CA 95304 (Project Site) is required to do the following: 1) to increase the original scope of service; 2) increase the total not-to-exceed amount to $255,563.51; and 3) extend the term to June 30, 2025.

An amendment to the Agreement is required for Contractor to 1) add an additional service day of waste tank removal from two (2) days per week to three (3) days per week for the temporary restrooms and showers, and 2) adding three (3) handwashing stations will provide accessibility to clean water sources, increase sanitation in a congregate setting and reduce spread of viruses.

The Amendment compensates the Contractor for the additional weekly service day of waste tank removal fee, three (3) handwashing stations rental fee and one (1) service two (2) days per week fees for each handwashing station. The total compensation will include a one-time "delivery and pickup" charge and the fixed amount as set forth in Exhibits "B" and "B-1" of the Agreement. Contractor's total compensation under this Agreement as amended shall not exceed $255,563.51.

The Tracy Homelessness Advisory Committee heard this item on May 14, 2024 and recommend that the City Council adopt the proposed Resolution.

BACKGROUND AND LEGISLATIVE HISTORY

On September 1, 2020, the City Council authorized the creation of a Capital Improvement Project (CIP) for the Temporary Emergency Housing Project on Arbor Avenue, CIP 71112 (Project) to create a safe and dignified facility for residents experiencing homelessness.
On July 5, 2023, as part of the Phase IV interim shelter facility improvements, the City Council authorized the purchase of eight (8) custom container dormitories from Linked Equipment under Resolution 2023-140. Phase IV- Custom Containers does not include permanent bathrooms, which are part of the construction under Phase II-Site Improvements.

On October 17, 2023, the City Council authorized United Site Services of California, Inc. to provide and maintain the temporary showers and restrooms to the Phase IV-Custom Containers until permanent facilities are available providing safe and sanitary bathroom facilities to serve the occupants of Phase IV under Resolution 2023-213.

Under Section 2.1 of the Agreement, the term of this Agreement ends on May 31, 2024. The proposed Amendment No. 1 extends the term of the Agreement to June 30, 2025. In addition to the extension of the term there is an increase of the monthly services total by $3,785.65. This will amend Section 3.1 of the Agreement, the Contractor's total compensation not-to-exceed amount to $255,563.51.

ANALYSIS

The City previously determined that United Site Services of California, Inc. is a sole source vendor that provides and maintains self-contained and fully functional bathroom facilities and accessories.

The opening of the additional dormitories under Phase IV-Custom Containers increased the shelter capacity from 48 beds to 86 beds. The increase in clients caused an increase in septic waste from the use of the temporary restrooms and created a need to add handwashing stations throughout the TEHF due to lack of permanent water stations. Therefore, an amendment to the Agreement is required for Contractor to 1) add an additional service day of waste tank removal from two (2) days per week to three (3) days per week for the temporary restrooms and showers, and 2) adding three (3) handwashing stations will provide accessibility to clean water sources, increase sanitation in a congregate setting and reduce spread of viruses. This service was not included in the original scope of work.

The City and Contractor desire to amend the term of the Agreement by extending the expiration date of such term from May 31, 2024 to June 30, 2025 at the Temporary Housing Emergency Facility until the permanent facilities are installed as part of the Phase II construction.

An amendment to the Agreement is required for Contractor to 1) add an additional service day of waste tank removal from two (2) days per week to three (3) days per week for the temporary restrooms and showers, and 2) adding three (3) handwashing stations to provide accessibility to clean water sources, increase sanitation in a congregate setting and reduce the spread of viruses.

The Amendment compensates the Contractor for the additional weekly service day of waste tank removal fee, three (3) handwashing stations rental fee and one (1) service two (2) days per week fees for each handwashing station. The total compensation will include a one-time "delivery and pickup" charge and the fixed amount as set forth in Exhibits "B" and "B-1" of the Agreement. Contractor's total compensation under this Agreement as amended shall not exceed $255,563.51.

FISCAL IMPACT

Amendment No. 1 to the General Services Agreement with United Site Services of California, Inc. is an increase of $3,785.65 monthly, or $45,427.80 annually, increasing the total not to exceed amount to $255,563.51.

The City funds Homeless Services through the General Fund and various grants. The Homeless Services General Fund operating budget has sufficient funds to cover the total expenditure of $255,563.51 with United Site Services of California, Inc.

CEQA DETERMINATION

A Notice of Exemption was issued on October 16, 2020, for the Temporary Emergency Housing site at 500 Arbor Avenue in accordance with Government Code sections 65660-65662 for Low Barrier Navigation Centers and Section 15269(c) of the CEQA Guidelines (14 Cal. Code Regs. 15269(c) for (Emergency Projects). No environmental impacts beyond those already analyzed for the CIP exist; accordingly, no further CEQA analysis is needed.

STRATEGIC PLAN

This agenda item supports the Public Safety Strategic Priority, Implement the adopted Homelessness Strategic Plan.

ACTION REQUESTED OF THE CITY COUNCIL

The Tracy Homelessness Advisory Committee recommend that the City Council adopt a Resolution approving Amendment No. 1 to the General Services Agreement with United Site Services of California, Inc. at the Temporary Emergency Housing Facility, Capital Improvement Project 71112, at 370 West Arbor Avenue, to increase the original scope of service, increase the total not-to-exceed amount to $255,563.51, and extend the term from May 31, 2024 to June 30, 2025.

Prepared by: Virginia Carney, Homeless Services Manager

Reviewed by: Sara Cowell, Director of Finance
Bijal Patel, City Attorney
Kimberly Murdaugh, Interim Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

ATTACHMENTS

Attachment A- Amendment No. 1 to GSA-United Site Services of California, Inc.
Attachment B- Executed General Services Agreement and Reso for United Site Services of California, Inc. effective October 23, 2023

ATTACHMENT A

CITY OF TRACY
AMENDMENT NO. 1 TO
General Services Agreement with United Site Services of California, Inc.

This Amendment No. 1 (**Amendment**) to the General Service Agreement is made effective May 30, 2024 ("Effective Date") by and between the City of Tracy, a municipal corporation (**City**), and United Site Services of California, Inc., a California corporation (**Contractor**). City and Consultant are referred to individually as "**Party**" and collectively as "**Parties**."

Recitals

A. The City and Contractor entered into a General Services Agreement (**Agreement**) for the Temporary Emergency Housing Facility (TEHF) to provide temporary shower and restrooms for Phase IV-Custom Containers occupants located at 370 W. Arbor Avenue, Tracy, CA 95304 which was approved by the City Council on October 17, 2023 under Resolution No. 2023-213.

B. The opening of the additional dormitories under Phase IV-Custom Containers has caused an increase in septic waste from the use of the temporary restrooms and showers and City's requirement that Contractor add an additional service day of waste tank removal from two (2) days per week to three (3) days per week. The additional day of service will help maintain sanitary conditions by preventing the waste tanks from overflowing due to being too full.

C. The opening of Phase IV-Custom Containers has increased the shelter capacity from 48 beds to 86 beds. The increase in shelter clients has created a need to add handwashing stations throughout the TEHF due lack of permanent water stations. The Contractor will install and provide three (3) handwashing stations and provide one (1) service, two (2) days per week for the handwashing stations. The handwashing stations will increase sanitation in a congregate setting, reduce spread of germs and increase the accessibility to clean water sources.

D. The City and Contractor now seek to amend the Agreement to increase the scope of Contractor's services to include the additional weekly service day of waste tank removal fee, three (3) handwashing stations rental fee and one (1) service two (2) days per week fees for each handwashing stations **and** increase the monthly service total by the amount of $3,785.65.

F. The City and Contractor desire to amend the term of the Agreement by extending the expiration date of such term from May 31,2024 to June 30, 2025.

G. This Amendment is being executed pursuant to Resolution No._____ approved by Tracy City Council on_____, 2024.

Now therefore, the Parties mutually agree as follows:

1. Terms of Amendment.

A. Section 1 of the Agreement is hereby amended by deleting the text of Section 1 in its entirety and substituting in place thereof the following underlined text:

"1. Scope of Work. Upon request from and at the direction of the City, Contractor shall perform the Services and complete the Project, which include, but are not limited to, the services described in Exhibit "A" and "A-1" attached hereto and incorporated herein by this reference. The services shall be performed by, or under the direct supervision of, Contractor's Authorized Representative: United Site Services of California, Inc., nor shall Contractor use or replace any subcontractors or subcontractors, without City's prior written consent. The City may terminate this Agreement if Contractor makes any such change or replacement, or uses any unapproved subcontractor or subcontractor."

B. Section 2.1 is hereby amended by deleting the text of Section 2 in its entirety and substituting in place thereof the following underlined text:

"2.1 Term. The term of this Agreement shall begin on October 23, 2023, and end on June 30, 2025, unless terminated in accordance with Section 6."

C. Section 3 is hereby amended by deleting the text of the first paragraph of Section 3 only and substituting in place thereof the following underlined text:

"3. Compensation. City shall pay Contractor a fixed amount as set forth in Exhibits "B" and "B-1" attached and incorporated by reference for services performed under this Agreement. City shall also pay a one-time "delivery and pickup" charge."

D. Section 3.1 is hereby amended by deleting the text Section 3 in its entirety and substituting in place thereof the following underlined text:

"3.1 Not to Exceed Amount. Contractor's total compensation under this Agreement shall not exceed $255,563.51. It is understood and agreed that Contractor may not receive compensation up to this amount, and Contractor's total compensation under this Agreement will depend on the length of the term of this Agreement. Contractor's billing rates shall cover all costs and expenses for Contractor's performance of this Agreement. No work shall be performed by Contractor in excess of the total compensation amount provided in this section without the City's prior written approval. Notwithstanding anything contained herein to the contrary, the payment of any funds under this Agreement shall be subject to the City of Tracy's appropriate of funds for the Services. This Agreement shall terminate in the event that such funds are not appropriated."

E. **Exhibits.**

Exhibit A-1 “Scope of Services” attached hereto shall replace Exhibit “A” of the Agreement. Contractor is responsible for completing all task identified in Exhibit “A-1”.

Exhibit B-1 “Compensation” attached hereto shall replace Exhibit “B” of the Agreement. For services performed by Contractor under this Agreement, City shall pay Contractor on a time and expense basis, at the billing rates set forth in Exhibit “B-1”.

3. Incorporation by Reference. This Amendment incorporates by reference all terms set forth in the Agreement, unless specifically modified by this Amendment. All capitalized terms used herein and not defined herein shall have the meanings set forth in the Agreement.

4. Effect of Amendment. This Amendment represents the complete and entire agreement and understanding between the parties and supersedes any prior agreement and understanding (written or oral) concerning the subject matter contained herein. Except as expressly modified by this Amendment, all provisions of the Agreement will remain unchanged and in full force and effect. The parties hereto acknowledge and agree that the recitals set forth are true and correct and are incorporated into this Amendment. This Amendment will not be binding until fully executed by the parties.

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

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

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the Effective Date.

City of Tracy

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

Attest:

_____
Adrianne Richardson, City Clerk

United Site Services of California, Inc.

By: Jeff Dunlop
Title: Vice President
Date: 10 May 24

Federal Employer Tax ID No. 20-0968969

By: Sean McDowell
Title: Director of Contracts
Date: 10 May 24

Approved as to form:

By: _____
Bijal M. Patel, City Attorney

EXHIBITS:

A-1 Scope of Work
B-1 Compensation

EXHIBIT A-1 Scope of Work

Installation and Service of Temporary Restrooms and Showers

Trailer Bundle Configuration:

- Restroom Trailer, Gold, Small (3-4 Stalls)
- Power Requirements: 1-3 20AMP 110V on separate breaker
- 3 Service per Week, Empty Waste Tank
- Restock Service

Trailer Bundle Configuration:

- Restroom Trailer, Gold, Compact (1-2 Stalls)-ADA Compliant
- Power Requirements: 1-3 20AMP 110V on separate breaker
- 3 Service per Week, Empty Waste Tank
- Restock Service

Trailer Bundle Configuration:

- Shower Trailer, Gold, Large (7-8 Stalls)
- Power Requirements: 2-4 20AMP 110V on separate breaker
- 3 Service per Week, Empty Waste Tank
- Restock Service
- Permit Fee

Handle Cleaning Bundle Configuration

- 2 Station Hand Wash Sink (3 Handwashing Stations)
- 1 Service 2 Days per Week for each handwashing station

EXHIBIT B-1 Compensation

Temporary Restroom and Shower Trailers Billing Rates

Item	Unit	Unit Price	Qty	Charge Type	Total Charge	Tax
Trailer Bundle Configuration Estimated Delivery 03-02-24						
Restroom Trailer, Gold, Small (3-4 Stalls) Power Requirements: 1-4 20AMP 110V on separate breaker	EA	$2375.00	1	Recurring	$2375.00	Y
Restock Service	EA	$100.00	1	Recurring	$100.00	N
3 Service per Week, Empty Waste Tank	EA	$1828.00	1	Recurring	$1828.00	N
Trailer Bundle Configuration Estimated Delivery 03-02-24						
Restroom Trailer, Gold, Compact (1-2 Stalls) - ADA Compliant Power Requirements: 1-3 20AMP 110V on separate breaker	EA	$2715.00	1	Recurring	$2715.00	Y
Restock Service	EA	$100.00	1	Recurring	$100.00	N
3 Service per Week, Empty Waste Tank	EA	$1828.00	1	Recurring	$1828.00	N
Trailer Bundle Configuration Estimated Delivery 03-02-24						
Shower Trailer, Gold, Large (7-8 Stalls) Power Requirements: 2-4 20AMP 110V on separate breaker	EA	$7000.00	1	Recurring	$7000.00	Y
Restock Service	EA	$100.00	1	Recurring	$100.00	N
3 Service per Week, Empty Waste Tank	EA	$3290.00	1	Recurring	$3290.00	N
Permit Fee	EA	$0.00	1	One-Time	$0.00	N

EXHIBIT B-1 Compensation (continued)

Other One-Time Charges

Item	Charge Type	Total Charge	Tax
Delivery and Pickup	One-Time	$2269.50	Y

Subtotal Recurring	$19,336.00
Tax Recurring	$997.45
Total Recurring	**$20,333.45**
Subtotal One-Time	$2,269.50
Tax One-Time	$187.29
Total One-Time	**$2,456.79**
Grand Total	**$22,790.24**

EXHIBIT B-1 Compensation (continued)

Handwashing Station Billing Rates

Item	Unit	Unit Price	Qty	Charge Type	Total Charge	Tax
Hand Cleaning Bundle Configuration Estimated Delivery 04-16-24						
1 Service 2 Days per Week	EA	$200.00	3	Recurring	$600.00	N
2 Station Hand Wash Sink	EA	$43.00	3	Recurring	$129.00	Y

Other One-Time Charges

Item	Charge Type	Total Charge	Tax
Delivery and Pickup	One-Time	$212.00	Y

Subtotal Recurring	$729.00
Tax Recurring	$10.65
Total Recurring	**$739.65**
Subtotal One-Time	$212.00
Tax One-Time	$17.52
Total One-Time	**$229.52**
Grand Total	**$969.17**

EXHIBIT B-1 Compensation (continued)

Temporary Restroom and Shower Trailers Billing Rates

Subtotal Recurring	$19,336.00
Tax Recurring	$997.45
Total Recurring	**$20,333.45**
Subtotal One-Time	$2,269.50
Tax One-Time	$187.29
Total One-Time	**$2,456.79**

Handwashing Stations Billing Rates

Subtotal Recurring	$729.00
Tax Recurring	$10.65
Total Recurring	**$739.65**
Subtotal One-Time	$212.00
Tax One-Time	$17.52
Total One-Time	**$229.52**

Temporary Restroom/Shower Trailers Monthly Rental Rate:	$20,333.45
Handwashing Stations Monthly Rental Rate:	$739.65
Total Recurring Monthly Rental Rate:	**$21,073.10**
Temporary Restroom/Shower Trailers One-Time Fee:	$2,456.79
Handwashing Stations One-Time Fee:	$229.52
Total One-Time Fee	**$2,686.31**

Projected Rental Period: June 1, 2024 to June 30,2025
Projected NTE: $255,563.51

CITY OF TRACY
GENERAL SERVICES AGREEMENT WITH
United Site Services of California, Inc.

This General Services Agreement (**Agreement**) is entered into between the City of Tracy, a municipal corporation (**City**), and United Site Services of California, Inc., a California corporation (**Contractor**). City and Contractor are referred to individually as "**Party**" and collectively as "**Parties.**"

Recitals

A. City desires to enter into this Agreement with Contractor for Contractor to provide temporary shower and restrooms for Phase IV-Custom Containers occupants located at 370 W. Arbor Avenue, Tracy, CA 95304 (**Project** or **Services**) until permanent bathrooms are installed.

B. After negotiations between the City and Contractor, the Parties have reached an agreement for the performance of services in accordance with the terms set forth in this Agreement.

C. Pursuant to Resolution No. 2022-121, directed the City Manager to take immediate and emergency actions necessary to implement interim housing solutions for Tracy's unsheltered population until the completion and opening of the Temporary Emergency Housing Project on Arbor Road. Tracy Municipal Code Section 2.20.270(b), the City may enter into a contract without formal bidding if a contract is for a unique product available from only one source so that competitive bidding would be meaningless. For this exception to apply, the City Council must approve the contract by a resolution which includes findings as to why the product is unique and only one source exists.

D. United Site Services of California, Inc. is a sole source vendor that provides and maintains self contained and fully functional bathroom facilities. These temporary facilities provide safe and sanitary facilities for showering and restroom use to the Phase IV-Custom Containers occupants.

E. This Agreement is being executed pursuant to Resolution No. 2023-213.

Now therefore, the Parties mutually agree as follows:

1. Scope of Work. Upon request from and at the direction of the City, Contractor shall perform the Services and complete the Project, which include, but are not limited to, the services described in Exhibit "A" attached hereto and incorporated herein by this reference. The services shall be performed by, or under the direct supervision of, Contractor's Authorized Representative: United Site Services of California, Inc., nor shall Contractor use or replace any subcontractors or subcontractors, without City's prior written consent. The City may terminate this Agreement if Contractor makes any such change or replacement, or uses any unapproved subcontractor or subcontractor.

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. Any services for which times for performance are not specified in this Agreement shall be started and completed by Contractor in a reasonably prompt and timely manner based upon the circumstances and direction communicated to the Contractor. Contractor 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 may grant or deny such requests in its sole and absolute discretion.

2.1 Term. The term of this Agreement shall begin on October 23, 2023 and end on May 31, 2024, unless terminated in accordance with Section 6.

3. **Compensation.** City shall pay Contractor the fixed monthly amount, as set forth in Exhibit "B" attached hereto and incorporated herein by this reference, for the term of the Agreement. City shall also pay a one-time "delivery and pickup" charge.

3.1 Not to Exceed Amount. Contractor's total compensation under this Agreement shall not exceed $125,000. It is understood and agreed that Contractor may not receive compensation up to this amount, and Contractor's total compensation under this Agreement will depend on the length of the term of this Agreement. Contractor's billing rates shall cover all costs and expenses for Contractor's performance of this Agreement. No work shall be performed by Contractor in excess of the total compensation amount provided in this section without the City's prior written approval. Notwithstanding anything contained herein to the contrary, the payment of any funds under this Agreement shall be subject to the City of Tracy's appropriation of funds for the Services. This Agreement shall terminate in the event that such funds are not appropriated.

3.2 Invoices. Contractor shall submit monthly invoices to the City that describe the services performed and dated time period reflecting services rendered . Reports reflecting greater detail of services are available upon request to the Contractor.

3.2.1. Contractor's failure to submit invoices in accordance with these requirements may result in the City rejecting said invoices and thereby delaying payment to Contractor.

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

3.3.1. The acceptance by Contractor of the final payment made under this Agreement shall constitute a release of City from all claims and liabilities for compensation to Contractor for anything completed, finished or relating to Contractor's services. Contractor agrees that payment by City shall not constitute nor be deemed a release of the responsibility and liability of Contractor or its employees, subcontractors, agents and subcontractors for the accuracy and competency of the information provided and/or services performed hereunder, nor shall such payment be deemed to be an assumption of responsibility or liability by City for any defect or error in the Services performed by Contractor, its employees, subcontractors, agents and subcontractors.

3.3.2. Contractor agrees to maintain books, accounts, payroll records and other information relating to the performance of Contractor's obligations under the Agreement, which shall adequately and correctly reflect the expenses incurred by the Contractor in the performance of Contractor's work under the Agreement. Such books and records shall be open to inspection and audit by the City during regular business hours for three years after expiration or termination of this Agreement.

4. **Indemnification.** Contractor 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 Contractor's negligence or failure to comply with obligations under this Agreement, except to the extent caused by the active negligence or willful misconduct of the City.

In the event there is a finding and/or determination that Contractor is not an independent contractor and/or is an employee of City, including but not limited to any such finding and/or determination made by the California Public Employees' Retirement System (CalPERS), the Department of Industrial Relations (DIR), or the Internal Revenue Service (IRS), Contractor shall, to the fullest extent permitted by law, indemnify, defend, and hold harmless the City from and against any all claims relating to or in connection with such a finding and/or determination.

In this section, "City" means the City, its officials, officers, agents, employees and volunteers; "Contractor" means the Contractor, 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".

Contractor and City mutually waive consequential damages for claims, disputes, or other matters in question, arising out of or relating to this Agreement. This mutual waiver is applicable, without limitation, to all consequential damages due to either party's termination of this Agreement.

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. Contractor shall, throughout the duration of this Agreement, maintain insurance to cover Contractor, 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 Endorsements. Contractor shall obtain endorsements to the automobile and commercial general liability insurance policies with the following provisions:

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

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

5.5 Notice of Cancellation. Contractor 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. Contractor shall immediately obtain a replacement policy.

5.6 Authorized Insurers. All insurance companies providing coverage to Contractor 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.

5.7 Insurance Certificate. Contractor 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.

5.8 Substitute Certificates. Contractor 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.

5.9 Contractor's Obligation. Maintenance of insurance by the Contractor as specified in this Agreement shall in no way be interpreted as relieving the Contractor of any responsibility whatsoever (including indemnity obligations under this Agreement), and the Contractor 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 in its sole and absolute discretion by giving ten (10) days' written notice to Contractor. Within five (5) days of such a termination, Contractor shall give the City all original documents relating to the Services in Contractor's possession or control, including, without limitation, preliminary drafts and supporting documents, and any other documents prepared by Contractor pursuant to this Agreement. The City shall pay Contractor 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 Contractor that cannot be settled after engaging in good faith negotiations, City and Contractor 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 to serve as the mediator, shall be commenced within thirty (30) days of selection of a mediator, 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 mediator 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 **Labor Code Compliance.** Contractor is aware of the requirements of Chapter 1 of Part 7 of Division 2 of the California Labor Code and applicable regulations which require the payment of prevailing wage rates (§1771, §1774, and §1775); 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. The Services being performed under this Agreement are part of a "public works" or "maintenance" project, as defined in the Prevailing Wage Laws, Contractor agrees to fully comply with such Prevailing Wage Laws.

8.1 Rates. These prevailing wage rates are on file with the City and are available online at http://www.dir.ca.gov/DLSR. Each Contractor and Subcontractor must pay no less than the specified rates to all workers employed to perform the services described herein. The schedule of per diem wages is based upon a working day of eight hours. The rate for holiday and overtime work must be at least time and one-half. Contractor assumes all responsibility for such payments and shall defend, indemnify and hold the City harmless from any and all claims made by the State of California, the Department of Industrial Relations, any subcontractor, any worker, or any other third party.

8.2 Registration with DIR. Contractor warrants that it is registered with the Department of Industrial Relations and qualified to perform the services consistent with Labor Code section 1725.5.

8.3 Monitoring. This Agreement will be subject to compliance monitoring and enforcement by the DIR, under Labor Code section 1771.4.

9. **Ownership of Work.** All original documents prepared by Contractor 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

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

10. Independent Contractor Status. Contractor is an independent contractor and is solely responsible for the acts of its employees or agents, including any negligent acts or omissions. Contractor is not City's employee and Contractor 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. Contractor is free to work for other entities while under contract with the City. Contractor, and its agents or employees, are not entitled to City benefits. Contractor shall be solely responsible for, and shall save the City harmless from, all matters relating to the payment of Contractor's employees, agents, and subcontractors, including compliance with social security requirements, federal and State income tax withholding and all other regulations governing employer-employee relations. The City reserves the right to contract with other firms and/or Contractors during the term of this Agreement to provide the City the same or similar services that Contractor is providing to the City under this Agreement. Nothing contained in this Agreement guarantees Contractor a certain amount of work, and the City may, in its sole and absolute discretion, allocate and/or delegate work to Contractor so as to satisfy the City's needs.

11. Conflicts of Interest. Contractor (including its employees, agents, and subcontractors) shall not maintain or acquire any direct or indirect interest that conflicts with the performance of this Agreement. s(including this Agreement) involving Contractor's conflicting interest.

12. Rebates, Kickbacks, or Other Unlawful Consideration. Contractor 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 any 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; to deduct from the contract price the value of the rebate, kickback, or other unlawful consideration; or otherwise recover the full amount of such rebate, kickback, or other unlawful consideration.

13. 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:
Brian MacDonald
Interim Assistant City Manager
City of Tracy
333 Civic Center Plaza
Tracy, CA 95376

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

To Contractor:
United Site Services of California, Inc.
118 Flanders Road, Ste. 1000
Westborough, MA 01581

14. Miscellaneous.

14.1 Standard of Care. Unless otherwise specified in this Agreement, the standard of care applicable to Contractor'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.

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

14.3 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. No waiver shall be effective unless it is in writing and signed by the waiving party.

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

14.5 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.

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

14.6.1 Hazardous Materials. Contractor is responsible for all costs of clean up and/or removal of hazardous and toxic substances spilled as a result of performing their services.

14.6.2 Non-discrimination. Contractor represents and warrants that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Contractor 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.).

14.7 Business Entity Status. Contractor 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 Contractor. By entering into this Agreement, Contractor represents that it is not a suspended corporation. If Contractor is a suspended corporation at the time it enters this Agreement, City may take steps to have this Agreement declared voidable.

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

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

14.10 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.

14.11. 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.

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

14.13 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.

14.14 Counterparts. City and Contractor agree that this Agreement may be executed in two or more counterparts, each of which shall be deemed an original.

14.15 Expenses for Enforcement. Contractor and City agree that the prevailing party's reasonable costs, attorneys' fees and expenses, including investigation fees and expert witness fees, shall be paid by the non-prevailing party in any dispute involving the terms and conditions of this Agreement.

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

[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: 12-11-2023

Attest:

Adrianne Richardson, City Clerk

Approved as to form:

DocuSigned by:
Bijal Patel
1ED786991DBE474...
Bijal M. Patel, City Attorney

United Site Services of California, Inc.

By: Jeff Dunlop
Title: Vice President
Date: 20 Sep 23

Federal Employer Tax ID No. 20-0968969

By: Sean McDowell
Title: Director of Contracts
Date: 20 Sep 23

Exhibits:

A. Scope of Work
B. Compensation

DocuSign Envelope ID: 25B0DC13-9572-4758-BAA1-9E3922554BE5

EXHIBIT A - Scope of Work

Installation and Service of Temporary Restrooms

Trailer Bundle Configuration:

- Restroom Trailer, Gold, Small (3-4 Stalls) Power Requirements: 1-3 20AMP 110V on separate breaker
- 2 Service per Week, Empty Waste Tank
- Restock Service

Trailer Bundle Configuration:

- Restroom Trailer, Gold, Small (1-2 Stalls)-ADA Compliant, Power Requirements: 1-3 20AMP 110V on separate breaker
- 2 Service per Week, Empty Waste Tank
- Restock Service

Trailer Bundle Configuration:

- Shower Trailer, Gold, Large (7-8 Stalls), Power Requirements: 2-4 20AMP 110V on separate breaker
- 2 Service per Week, Empty Waste Tank
- Restock Service
- Permit Fee

EXHIBIT B – Compensation

Item	Unit	Unit Price	Qty	Charge Type	Total Charge	Tax
Trailer Bundle Configuration Delivery 09-18-23						
Restroom Trailer, Gold, Small (3-4 Stalls) Power Requirements: 1-4 20AMP 110V on separate breaker	EA	$2375.00	1	Recurring	$2375.00	Y
2 Service per Week, Empty Waste Tank	EA	$1100.00	1	Recurring	$1100.00	N
Restock Service	EA	$100.00	1	Recurring	$100.00	N
Trailer Bundle Configuration Delivery 09-18-23						
Restroom Trailer, Gold, Compact (1-2 Stalls) - ADA Compliant Power Requirements: 1-3 20AMP 110V on separate breaker	EA	$2715.00	1	Recurring	$2715.00	Y
2 Service per Week, Empty Waste Tank	EA	$1000.00	1	Recurring	$1000.00	N
Restock Service	EA	$100.00	1	Recurring	$100.00	N
Trailer Bundle Configuration Delivery 09-18-23						
Shower Trailer, Gold, Large (7-8 Stalls) Power Requirements: 2-4 20AMP 110V on separate breaker	EA	$7000.00	1	Recurring	$7000.00	Y
2 Service per Week, Empty Waste Tank	EA	$1800.00	1	Recurring	$1800.00	N
Restock Service	EA	$100.00	1	Recurring	$100.00	N
Permit Fee	EA	$0.00	1	One-Time	$0.00	N

Other One-Time Charges

Item	Charge Type	Total Charge	Tax
Delivery and Pickup	One-Time	$1485.00	Y

Subtotal Recurring	$16,290.00
Tax Recurring	$997.45
Total Recurring	**$17,287.45**
Subtotal One-Time	$1,485.00
Tax One-Time	$122.58
Total One-Time	**$1,607.58**
Grand Total	**$18,895.03**

APPROVED AS TO FORM AND LEGALITY

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. 2023-213

RESOLUTION (1) MAKING A DETERMINATION THAT UNITED SITE SERVICES OF CALIFORNIA, INC. PROVIDES UNIQUE PRODUCTS AND SERVICES THAT ARE NOT AVAILABLE FROM OTHER SOURCES, THEREFORE COMPLIANCE WITH THE STANDARD PROCUREMENT PROCESS IS NOT IN THE BEST INTEREST OF THE CITY PURSUANT TO TRACY MUNICIPAL CODE SECTION 2.20.180(B)(2) AND (2) APPROVING THE GENERAL SERVICES AGREEMENT WITH UNITED SITE SERVICES OF CALIFORNIA, INC., WITH A NOT-TO-EXCEED AMOUNT OF $125,000, TO PROVIDE TEMPORARY SHOWERS AND RESTROOM TO PHASE IV-CUSTOM CONTAINER OCCUPANTS UNTIL PERMANENT BATHROOMS ARE INSTALLED UNDER PHASE II-SITE IMPROVEMENTS AT THE TEMPORARY EMERGENCY HOUSING FACILITY, CIP 71112, AT 370 WEST ARBOR AVENUE

WHEREAS, the City of Tracy, like many cities across California, is experiencing a shelter crisis; and

WHEREAS, on March 10, 2020, the City Council declared a shelter crisis through the adoption of Resolution 2020-052; and

WHEREAS, under the shelter crisis, the City is authorized to provide emergency housing, shelters, bridge housing communities, and other services to the unsheltered; and

WHEREAS, on September 1, 2020, the City Council authorized the creation of a Capital Improvement Project for the Temporary Emergency Housing Project on Arbor Avenue, CIP 71112 (Project) to create a safe and dignified facility for residents experiencing homelessness (Facility); and

WHEREAS, the City desires to provide interim housing solutions until the completion and opening of the Facility; and

WHEREAS, Government Code section 8698.4 exempts the application of the California Environmental Quality Act (CEQA) to various actions taken by public agencies to implement the construction of a homeless shelter in response to a declared shelter crisis; and

WHEREAS, a Notice of Exemption was issued on October 16, 2020, for the Temporary Emergency Housing site at 500 Arbor Avenue in accordance with Government Code sections 65660-65662 for Low Barrier Navigation Centers and Section 15269(c) of the CEQA Guidelines (14 Cal. Code Regs. 15269(c) for (Emergency Projects); and

WHEREAS, on August 16, 2022, the City Council approved Resolution 2022-121 and directed the City Manager to take immediate and emergency actions necessary to implement interim housing solutions for the City's unsheltered until the completion and opening of the Facility,

including negotiating with potential service providers and identifying potential sites for such interim housing solutions; and

WHEREAS, Tracy Municipal Code Section 2.20.180(b)(2), the City may enter into a contract without formal bidding if a contract is for a unique product available from only one source so that competitive bidding would be meaningless. For this exception to apply, the City Council must approve the contract by a resolution which includes findings as to why the product is unique and only one source exists; and

WHEREAS, *on July 5, 2023, City Council authorized the purchase of eight (8) custom* container dormitories, which will provide an additional 38 beds from Linked Equipment under Resolution 2023-140 for installation as part of Phase IV interim facilities; and

WHEREAS, Phase IV-Custom Containers do not include permanent bathrooms, which are part of the construction under Phase II-Site Improvements; and

WHEREAS, United Site Services of California, Inc. (Consultant) has agreed to provide and maintain the temporary showers and restrooms to the Phase IV-Custom Containers until permanent facilities are available providing safe and sanitary bathroom facilities to those occupants; and

WHEREAS, The Tracy Homelessness Advisory Committee heard this item on September 26, 2023 and recommended that the City Council adopt this proposed Resolution; and now, therefore, be it resolved as follows:

RESOLVED: That the City Council finds and determines the foregoing recitals to be true and correct and hereby makes them a part of this Resolution; and be it

FURTHER RESOLVED: That United Site Services of California, Inc. is a sole source vendor, as set forth in Tracy Municipal Code Section 2.20.180(b)(2); and be it

FURTHER RESOLVED: That the City Council hereby approves general services agreement with Consultant (which includes a not-to-exceed amount of $125,000). After review and approval by the City Attorney's office, City Council authorizes the execution of the General Services Agreement; and be it

FURTHER RESOLVED: The City Council finds that no further analysis under the California Environmental Quality Act (CEQA) for the actions authorized herein because: 1) Government Code section 8698.4 exempts the application of the various actions taken by public agencies to implement the construction of a homeless shelter in response to a declared shelter crisis; 2) the interim solutions taken thus far are in furtherance of and related to the permanent solution that will be implemented, referred to as the Temporary Emergency Housing Project on Arbor Avenue (CIP 71112); 3) A Notice of Exemption was issued on October 16, 2020 for the Temporary Emergency Housing site at 500 Arbor Avenue in accordance with Government Code sections 65660-65662 for Low Barrier Navigation Centers and Section 15269(c) of the CEQA Guidelines (14 Cal. Code Regs. 15269(c) for (Emergency Projects); and 4) No environmental impacts beyond those already analyzed for the CIP exist; and be it

FURTHER RESOLVED: That this resolution takes effect immediately upon its adoption.

* * * * * * * * * * * * * *

The foregoing Resolution 2023-213 was adopted by the Tracy City Council on October 17, 2023, by the following vote:

AYES:	COUNCIL MEMBERS: ARRIOLA, BEDOLLA, EVANS, DAVIS, YOUNG
NOES:	COUNCIL MEMBERS: NONE
ABSENT:	COUNCIL MEMBERS: NONE
ABSTENTION:	COUNCIL MEMBERS: NONE

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. _____

APPROVING AMENDMENT NO. 1 TO THE GENERAL SERVICES AGREEMENT WITH UNITED SITE SERVICES OF CALIFORNIA, INC. AT THE TEMPORARY EMERGENCY HOUSING FACILITY, CAPITAL IMPROVEMENT PROJECT 71112, AT 370 WEST ARBOR AVENUE, TO INCREASE THE ORIGINAL SCOPE OF SERVICE, INCREASE THE TOTAL NOT-TO-EXCEED AMOUNT TO $255,563.51, AND EXTEND THE TERM FROM MAY 31, 2024 TO JUNE 30, 2025

WHEREAS, the City of Tracy, like many cities across California, is experiencing a shelter crisis for unhoused people; and

WHEREAS, on March 10, 2020, the City Council declared a shelter crisis through the adoption of Resolution 2020-052; and

WHEREAS, under the shelter crisis, the City is authorized to provide emergency housing, shelters, bridge housing communities, and other services to the unsheltered; and

WHEREAS, on September 1, 2020, the City Council authorized the creation of a Capital Improvement Project for the Temporary Emergency Housing Project on Arbor Avenue, CIP 71112 (Project) to create a safe and dignified facility for residents experiencing homelessness located at 370 West Arbor Avenue, Tracy, CA 95304 (Project Site); and

WHEREAS, on July 5, 2023, City Council authorized the purchase of eight (8) custom container dormitories, which will provide an additional 38 beds from Linked Equipment under Resolution 2023-140 for installation as part of Phase IV interim facilities; and

WHEREAS, Phase IV-Custom Containers do not include permanent bathrooms, which are part of the construction under Phase II-Site Improvements; and

WHEREAS, on October 17, 2023, City Council authorized United Site Services of California, Inc. to provide and maintain the temporary showers and restrooms to the Phase IV-Custom Containers until permanent facilities are available providing safe and sanitary bathroom facilities to serve the occupants of Phase IV under Resolution 2023-213; and

WHEREAS, after entering into the Agreement with Contractor, the opening of the additional dorms under Phase IV-Custom Containers increased the shelter capacity from 48 beds to 86 beds. The increase in clients caused an increase in septic waste from the use of the temporary restrooms and created a need to add handwashing stations throughout the TEHF due to lack of permanent water stations; and

WHEREAS, the Amendment to the General Services Agreement (Agreement) with United Site Services of California, Inc. (Contractor) attached hereto as Attachment 1 is required to extend the term of the Agreement by extending the expiration date of such term from May 31, 2024 to June 30, 2025 to continue providing temporary shower and restrooms facilities to the Phase IV-Custom Containers occupants at the TEHF until the permanent bathrooms are installed in Phase II-Site Improvements; and

WHEREAS, the Amendment will: 1) modify the original scope of work to add an additional service day of waste tank removal from two (2) days per week to three (3) days per week. This will help maintain sanitary conditions by preventing the waste tanks from overflowing due to being too full, and 2) install three (3) handwashing stations and provide (1) service, two (2) days per week due to the opening of Phase IV-Custom Containers has increased the shelter capacity from 48 beds to 86 beds and the increase in shelter clients has created a need to add handwashing stations throughout the TEHF due to, reduce the spread of potential viruses in a vulnerable setting and increase the accessibility to clean water sources, and 3) include the rental and service of the handwashing stations and additional service day of waste tank removal which will increase the monthly service total by the amount of $3,785.65; and

WHEREAS, Contractor's total compensation under this Amendment shall not exceed $255,563.51 and will include the amounts as set forth in Exhibits "B" and "B-1". Upon approval of this item, the City will pay the Contractor a fixed amount as set forth in Exhibits "B-1". City shall also pay a one-time "delivery and pickup" charge; and

WHEREAS, The Tracy Homelessness Advisory Committee heard this item on May 14, 2024 and recommended that the City Council adopt this proposed Resolution; and

NOW THEREFORE, be it

RESOLVED: That the City Council for the City of Tracy finds that no further analysis under the California Environmental Quality Act (CEQA) for the actions authorized herein because: 1) Government Code section 8698.4 exempts the application of the various actions taken by public agencies to implement the construction of a homeless shelter in response to a declared shelter crisis; 2) the interim solutions taken thus far are in furtherance of and related to the permanent solution that will be implemented, referred to as the Temporary Emergency Housing Project on Arbor Avenue (CIP 71112); 3) A Notice of Exemption was issued on October 16, 2020 for the Temporary Emergency Housing site at 500 Arbor Avenue in accordance with Government Code sections 65660-65662 for Low Barrier Navigation Centers and Section 15269(c) of the CEQA Guidelines (14 Cal. Code Regs. 15269(c) for (Emergency Projects); and 4) No environmental impacts beyond those already analyzed for the CIP exist; and be it further

RESOLVED: That the City Council for the City of Tracy hereby approves Amendment No. 1 to the General Services Agreement with United Site Services of California, Inc. at the Temporary Emergency Housing Facility, CIP 71112, at 370 West Arbor Avenue, Tracy, CA 95304 attached hereto as Attachment 1, to increase the original scope of service, increase the total not-to-exceed amount to $255,563.51, and extend the term to June 30, 2025, and authorizes its execution;

* * * * * * * * * * * * * *

The foregoing Resolution 2024- _____ was adopted by the Tracy City Council on May 21, 2024, 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

Attachments:

(1) Amendment No. 1 to GSA-United Site Services of California, Inc.

CITY OF TRACY
AMENDMENT NO. 1 TO
General Services Agreement with United Site Services of California, Inc.

This Amendment No. 1 (**Amendment**) to the General Service Agreement is made effective May 30, 2024 ("Effective Date") by and between the City of Tracy, a municipal corporation (**City**), and United Site Services of California, Inc., a California corporation (**Contractor**). City and Consultant are referred to individually as "**Party**" and collectively as "**Parties**."

Recitals

A. The City and Contractor entered into a General Services Agreement (**Agreement**) for the Temporary Emergency Housing Facility (TEHF) to provide temporary shower and restrooms for Phase IV-Custom Containers occupants located at 370 W. Arbor Avenue, Tracy, CA 95304 which was approved by the City Council on October 17, 2023 under Resolution No. 2023-213.

B. The opening of the additional dormitories under Phase IV-Custom Containers has caused an increase in septic waste from the use of the temporary restrooms and showers and City's requirement that Contractor add an additional service day of waste tank removal from two (2) days per week to three (3) days per week. The additional day of service will help maintain sanitary conditions by preventing the waste tanks from overflowing due to being too full.

C. The opening of Phase IV-Custom Containers has increased the shelter capacity from 48 beds to 86 beds. The increase in shelter clients has created a need to add handwashing stations throughout the TEHF due lack of permanent water stations. The Contractor will install and provide three (3) handwashing stations and provide one (1) service, two (2) days per week for the handwashing stations. The handwashing stations will increase sanitation in a congregate setting, reduce spread of germs and increase the accessibility to clean water sources.

D. The City and Contractor now seek to amend the Agreement to increase the scope of Contractor's services to include the additional weekly service day of waste tank removal fee, three (3) handwashing stations rental fee and one (1) service two (2) days per week fees for each handwashing stations **and** increase the monthly service total by the amount of $3,785.65.

F. The City and Contractor desire to amend the term of the Agreement by extending the expiration date of such term from May 31,2024 to June 30, 2025.

G. This Amendment is being executed pursuant to Resolution No._____ approved by Tracy City Council on_____, 2024.

Now therefore, the Parties mutually agree as follows:

1. Terms of Amendment.

A. Section 1 of the Agreement is hereby amended by deleting the text of Section 1 in its entirety and substituting in place thereof the following underlined text:

"1. Scope of Work. Upon request from and at the direction of the City, Contractor shall perform the Services and complete the Project, which include, but are not limited to, the services described in Exhibit "A" and "A-1" attached hereto and incorporated herein by this reference. The services shall be performed by, or under the direct supervision of, Contractor's Authorized Representative: United Site Services of California, Inc., nor shall Contractor use or replace any subcontractors or subcontractors, without City's prior written consent. The City may terminate this Agreement if Contractor makes any such change or replacement, or uses any unapproved subcontractor or subcontractor."

B. Section 2.1 is hereby amended by deleting the text of Section 2 in its entirety and substituting in place thereof the following underlined text:

"2.1 Term. The term of this Agreement shall begin on October 23, 2023, and end on June 30, 2025, unless terminated in accordance with Section 6."

C. Section 3 is hereby amended by deleting the text of the first paragraph of Section 3 only and substituting in place thereof the following underlined text:

"3. Compensation. City shall pay Contractor a fixed amount as set forth in Exhibits "B" and "B-1" attached and incorporated by reference for services performed under this Agreement. City shall also pay a one-time "delivery and pickup" charge."

D. Section 3.1 is hereby amended by deleting the text Section 3 in its entirety and substituting in place thereof the following underlined text:

"3.1 Not to Exceed Amount. Contractor's total compensation under this Agreement shall not exceed $255,563.51. It is understood and agreed that Contractor may not receive compensation up to this amount, and Contractor's total compensation under this Agreement will depend on the length of the term of this Agreement. Contractor's billing rates shall cover all costs and expenses for Contractor's performance of this Agreement. No work shall be performed by Contractor in excess of the total compensation amount provided in this section without the City's prior written approval. Notwithstanding anything contained herein to the contrary, the payment of any funds under this Agreement shall be subject to the City of Tracy's appropriate of funds for the Services. This Agreement shall terminate in the event that such funds are not appropriated."

E. **Exhibits.**

Exhibit A-1 “Scope of Services” attached hereto shall replace Exhibit “A” of the Agreement. Contractor is responsible for completing all task identified in Exhibit “A-1”.

Exhibit B-1 “Compensation” attached hereto shall replace Exhibit “B” of the Agreement. For services performed by Contractor under this Agreement, City shall pay Contractor on a time and expense basis, at the billing rates set forth in Exhibit “B-1”.

3. Incorporation by Reference. This Amendment incorporates by reference all terms set forth in the Agreement, unless specifically modified by this Amendment. All capitalized terms used herein and not defined herein shall have the meanings set forth in the Agreement.

4. Effect of Amendment. This Amendment represents the complete and entire agreement and understanding between the parties and supersedes any prior agreement and understanding (written or oral) concerning the subject matter contained herein. Except as expressly modified by this Amendment, all provisions of the Agreement will remain unchanged and in full force and effect. The parties hereto acknowledge and agree that the recitals set forth are true and correct and are incorporated into this Amendment. This Amendment will not be binding until fully executed by the parties.

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

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

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the Effective Date.

City of Tracy

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

Attest:

_____
Adrianne Richardson, City Clerk

United Site Services of California, Inc.

By: Jeff Dunlop
Title: Vice President
Date: 10 May 24

Federal Employer Tax ID No. 20-0968969

By: Sean McDowell
Title: Director of Contracts
Date: 10 May 24

Approved as to form:

By: _____
Bijal M. Patel, City Attorney

EXHIBITS:

A-1 Scope of Work
B-1 Compensation

EXHIBIT A-1 Scope of Work

Installation and Service of Temporary Restrooms and Showers

Trailer Bundle Configuration:

- Restroom Trailer, Gold, Small (3-4 Stalls)
- Power Requirements: 1-3 20AMP 110V on separate breaker
- 3 Service per Week, Empty Waste Tank
- Restock Service

Trailer Bundle Configuration:

- Restroom Trailer, Gold, Compact (1-2 Stalls)-ADA Compliant
- Power Requirements: 1-3 20AMP 110V on separate breaker
- 3 Service per Week, Empty Waste Tank
- Restock Service

Trailer Bundle Configuration:

- Shower Trailer, Gold, Large (7-8 Stalls)
- Power Requirements: 2-4 20AMP 110V on separate breaker
- 3 Service per Week, Empty Waste Tank
- Restock Service
- Permit Fee

Handle Cleaning Bundle Configuration

- 2 Station Hand Wash Sink (3 Handwashing Stations)
- 1 Service 2 Days per Week for each handwashing station

EXHIBIT B-1 Compensation

Temporary Restroom and Shower Trailers Billing Rates

Item	Unit	Unit Price	Qty	Charge Type	Total Charge	Tax
Trailer Bundle Configuration Estimated Delivery 03-02-24						
Restroom Trailer, Gold, Small (3-4 Stalls) Power Requirements: 1-4 20AMP 110V on separate breaker	EA	$2375.00	1	Recurring	$2375.00	Y
Restock Service	EA	$100.00	1	Recurring	$100.00	N
3 Service per Week, Empty Waste Tank	EA	$1828.00	1	Recurring	$1828.00	N
Trailer Bundle Configuration Estimated Delivery 03-02-24						
Restroom Trailer, Gold, Compact (1-2 Stalls) - ADA Compliant Power Requirements: 1-3 20AMP 110V on separate breaker	EA	$2715.00	1	Recurring	$2715.00	Y
Restock Service	EA	$100.00	1	Recurring	$100.00	N
3 Service per Week, Empty Waste Tank	EA	$1828.00	1	Recurring	$1828.00	N
Trailer Bundle Configuration Estimated Delivery 03-02-24						
Shower Trailer, Gold, Large (7-8 Stalls) Power Requirements: 2-4 20AMP 110V on separate breaker	EA	$7000.00	1	Recurring	$7000.00	Y
Restock Service	EA	$100.00	1	Recurring	$100.00	N
3 Service per Week, Empty Waste Tank	EA	$3290.00	1	Recurring	$3290.00	N
Permit Fee	EA	$0.00	1	One-Time	$0.00	N

EXHIBIT B-1 Compensation (continued)

Other One-Time Charges

Item	Charge Type	Total Charge	Tax
Delivery and Pickup	One-Time	$2269.50	Y

Subtotal Recurring	$19,336.00
Tax Recurring	$997.45
Total Recurring	**$20,333.45**
Subtotal One-Time	$2,269.50
Tax One-Time	$187.29
Total One-Time	**$2,456.79**
Grand Total	**$22,790.24**

EXHIBIT B-1 Compensation (continued)

Handwashing Station Billing Rates

Item	Unit	Unit Price	Qty	Charge Type	Total Charge	Tax
Hand Cleaning Bundle Configuration Estimated Delivery 04-16-24						
1 Service 2 Days per Week	EA	$200.00	3	Recurring	$600.00	N
2 Station Hand Wash Sink	EA	$43.00	3	Recurring	$129.00	Y

Other One-Time Charges

Item	Charge Type	Total Charge	Tax
Delivery and Pickup	One-Time	$212.00	Y

Subtotal Recurring	$729.00
Tax Recurring	$10.65
Total Recurring	**$739.65**
Subtotal One-Time	$212.00
Tax One-Time	$17.52
Total One-Time	**$229.52**
Grand Total	**$969.17**

EXHIBIT B-1 Compensation (continued)

Temporary Restroom and Shower Trailers Billing Rates

Subtotal Recurring	$19,336.00
Tax Recurring	$997.45
Total Recurring	**$20,333.45**
Subtotal One-Time	$2,269.50
Tax One-Time	$187.29
Total One-Time	**$2,456.79**

Handwashing Stations Billing Rates

Subtotal Recurring	$729.00
Tax Recurring	$10.65
Total Recurring	**$739.65**
Subtotal One-Time	$212.00
Tax One-Time	$17.52
Total One-Time	**$229.52**

Temporary Restroom/Shower Trailers Monthly Rental Rate:	$20,333.45
Handwashing Stations Monthly Rental Rate:	$739.65
Total Recurring Monthly Rental Rate:	**$21,073.10**
Temporary Restroom/Shower Trailers One-Time Fee:	$2,456.79
Handwashing Stations One-Time Fee:	$229.52
Total One-Time Fee	**$2,686.31**

Projected Rental Period: June 1, 2024 to June 30,2025
Projected NTE: $255,563.51

May 21, 2024

Agenda Item 1.H

RECOMMENDATION

The Tracy Homeless Advisory Committee recommend that City Council adopt a Resolution (1) awarding a construction contract to Bockmon & Woody Electric Company, Inc. of Stockton, California for the 370 and 384 W. Arbor Road Power Supply Project at the Temporary Emergency Housing Facility Project, Capital Improvement Project (CIP) 71112, in the amount of $614,275 and (2) authorizing the City Manager to approve construction contract change orders up to the contingency amount of $61,428, if needed, pursuant to Tracy Municipal Code Section 2.20.090(b).

EXECUTIVE SUMMARY

Staff requests awarding a construction contract to Bockmon & Woody Electric Company, Inc., of Stockton, California, for the 370 and 384 W. Arbor Road Power Supply Project at the Temporary Emergency Housing Facility (TEHF) Project, Capital Improvement Project (CIP) 71112, with a contract price of $614,275 and a contingency amount of $61,428. The total budget for this Project, including City overhead costs is $767,843.75. This amount was previously appropriated by City Council as part of the Capital Improvement Project (CIP) 71112 and is fully funded.

The Tracy Homelessness Advisory Committee heard this item on May 14, 2024 and recommend that the City Council adopt the proposed Resolution.

BACKGROUND AND LEGISLATIVE HISTORY

On March 10, 2020, the City Council adopted Resolution No. 2020-050, which declared a shelter crisis pursuant to California Government Code Section 8698.2. For the subsequent two years, the City actively pursued the development and construction of an interim temporary emergency housing shelter on City-owned land located on Arbor Avenue to serve as interim full-service temporary housing solution for the City's unsheltered until the completion of the permanent project improvements.

On September 1, 2020, the City Council authorized the creation of a CIP for the Temporary Emergency Housing Project on Arbor Avenue, CIP 71112 (Project) to create a safe and dignified facility for residents experiencing homelessness.

Phase I of the Temporary Emergency Housing Facility Project, consisting of demolition of the existing structures, site and preparation, and underground utilities, began in May 2022. Phase II of the Project, the Site Improvements including the Sprung Structure, were delayed due to funding and delays resulting from the implementation of the interim facilities.

The Phase III Interim Project facility was opened in December of 2022, housing up to 48 individuals in leased modular structures. A permanent power supply was in the proposed Phase II Project construction, but that Phase was postponed due to the costs related to expediting the completion of the interim facility preparation. Portable generators were leased to provide power for the site until equipment for a permanent power supply could be installed.

On July 5, 2023, the City Council authorized the purchase of eight (8) custom container dormitories under Resolution 2023-140, to be installed as part of the Phase IV interim shelter facility improvements. The Phase IV Interim Project facility was opened in December of 2023, providing housing for an additional 38 individuals. Phase III and Phase IV interim housing facilities are being powered by four (4) portable generators, consisting of two (2) primary generators and two (2) backup generators, required by South San Joaquin County Fire to maintain power to the Fire Alarm Monitoring System. Fuel costs have increased due to the higher demand of the additional facilities and residents, so the installation of permanent power equipment is critical.

In April 2023, staff issued a Notice Inviting Bidders for two permanent power supply construction contracts, separately from the facility site improvements, to expedite the procurement and installation of the electrical equipment that had a thirty-seven (37) week lead time. In May 2023, bids were received from two contractors for each power supply, and one contractor was the low bidder on both contracts. The contract was awarded to the low bidder DV Electric, Inc. for both projects by Council on July 05, 2023. However, the lowest bidder failed to submit correctly completed construction contract documents as required and was determined to be non-responsive. The City Council rejected all bids and authorized the readvertisement of the work, on January 16, 2024, pursuant to Resolution 2024-004.

Staff prepared the plans, specifications and bid documents for the installation of the power supply equipment and related work and advertised the 370 and 384 W. Arbor Road Power Supply Project, CIP 71112, for competitive bids on March 15, 2024 and March 22, 2024. Bids were received and publicly opened on April 4, 2024, at 3:00 p.m. with the following results:

Contractor	Bid Amount	Federal Forms
American Engineering Contractors, Inc. dba Budget Electric	$ 573,084.52	No
Bockmon & Woody Electric Company, Inc.	$ 614,275.00	Yes
Tennyson Electric, Inc.	$ 669,276.94	No

The TEHF Project has federal grant funding that requires that Bidders submit five (5) federal forms with the bid documents package. The requirement is outlined in detail in the Instructions to Bidders and the Community Development Block Grant Handbooks, included in the bid documents. Two of the three bidders failed to include the five required forms and therefore the bids were deemed non-responsive.

ANALYSIS

The lowest successful bidder, Bockmon & Woody Electric Company, Inc., of Stockton, California, is responsive. Bid analysis also indicates that this responsive bidder is responsible. The bidder has the appropriate contractor's license in active standing with the State of California and has completed similar projects.

The total estimated cost of this project, including the contract amount, a 10% construction contract contingency and 15% for City costs related to staff time, construction inspection, building permits, design support and all soft costs related to the construction contract**,** if awarded to Bockmon & Woody Electric Company, Inc., is as follows:

Construction Bid	$ 614,275.00
Construction Contingency (10%)	$ 61,427.50
City Costs - Construction Management (10%)	$ 61,427.50
City Costs - Design Support During Construction (5%)	$ 30,713.75
Total Project Budget	$ 767,843.75

Tracy Municipal Code Section 2.20.090(b) authorizes the City Manager to authorize change orders up to the contingency amount approved by City Council when awarding the bid. The requested contingency amount for this project is $61,428, which is 10% of the construction contract amount.

FISCAL IMPACT

The Temporary Emergency Homeless Shelter, CIP 71112, is an approved project in the City's Capital Improvement Plan. The total budget for this Project including City overhead costs is $767,843.75. As part of the CIP 71112, this amount was previously appropriated by City Council and is fully funded. Sufficient funds are available in the project for the award of the construction contract and related expenses. The current project budget is as follows:

Funding Source	**Budget**	**Expenses**	**Balance**
American Rescue Plan Act - City of Tracy	$ 4,500,000	$ 3,541,658	$ 958,342
San Joaquin County (ARPA) R1	$ 3,661,113	$ 3,661,113	$ -
San Joaquin County (ARPA) R2	$ 7,167,798	$ -	$ 7,167,798
HHAP	$ 329,240	$ 329,240	$ -
HHAP R2	$ 414,042	$ 414,042	$ -
Federal Grant	$ 3,000,000	$ -	$ 3,000,000
CDBG (4 Grants)	$ 1,185,461	$ 836,294	$ 349,167
Housing Asset Funds	$ 690,000	$ 101,979	$ 588,021
Current Budget	$ 20,947,654	$ 8,884,326	$ 12,063,328

CEQA DETERMINATION

A Notice of Exemption was issued on October 16, 2020, for the Temporary Emergency Housing site at 500 Arbor Avenue in accordance with Government Code sections 65660-65662 for Low Barrier Navigation Centers and Section 15269(c) of the CEQA Guidelines.

STRATEGIC PLAN

This agenda item is consistent with the City Council's adopted 2021-2023 Strategic Priorities, Public Safety Strategy Plan, Goal No. 2, Implementation of the Adopted Homelessness Strategic Plan, Item No. 1, to secure capital funding to construct a Temporary Emergency Housing Facility.

ACTION REQUESTED OF THE COMMITTEE

The Tracy Homeless Advisory Committee recommend that City Council adopt a Resolution (1) awarding a construction contract to Bockmon & Woody Electric Company, Inc. of Stockton, California for the 370 and 384 W. Arbor Road Power Supply Project at the Temporary Emergency Housing Facility Project, CIP 71112, in the amount of $614,275 and (2) authorizing the City Manager to approve construction contract change orders up to the contingency amount of $61,428, if needed, pursuant to Tracy Municipal Code Section 2.20.090(b).

Prepared by: Ilene Macintire, PE, Senior Civil Engineer

Reviewed by: Kimberly Murdaugh, Interim Assistant City Manager
Bijal Patel, City Attorney
Sara Cowell, Director of Finance

Approved by: Midori Lichtwardt, City Manager

APPROVED AS TO FORM AND LEGALITY

_____
CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

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(1) APPROVING THE AWARD OF A CONSTRUCTION CONTRACT TO BOCKMON & WOODY ELECTRIC COMPANY, INC. OF STOCKTON, CALIFORNIA FOR THE 370 AND 384 W. ARBOR ROAD POWER SUPPLY PROJECT AT THE TEMPORARY EMERGENCY HOUSING FACILITY PROJECT, CAPITAL IMPROVEMENT PROJECT (CIP) 71112, IN THE AMOUNT OF $614,275; AND (2) AUTHORIZING THE CITY MANAGER TO APPROVE CONSTRUCTION CONTRACT CHANGE ORDERS UP TO THE CONTINGENCY AMOUNT OF $61,428, IF NEEDED, PURSUANT TO TRACY MUNICIPAL CODE SECTION 2.20.090(B).

WHEREAS, on March 10, 2020, City Council adopted Resolution No. 2020-050, which declared a shelter crisis for unhoused people pursuant to California Government Code Section 8698.2; and

WHEREAS, on September 1, 2020, City Council authorized the creation of a Capital Improvement Project (CIP) for the Temporary Emergency Housing Project on Arbor Avenue, CIP 71112 (Project) to create a safe and dignified facility for residents experiencing homelessness; and

WHEREAS, Phase I of the Project, demolition of the existing structures, site and preparation, and underground utilities began in May of 2022 and was substantially complete by December of 2022; and

WHEREAS, the Phase III Interim Project facility was opened in December of 2022, housing up to 48 individuals in leased modular structures; and

WHEREAS, A permanent power supply was in the proposed Phase II Project construction, but that Phase was postponed due to the costs related to expediating the completion of the interim facility preparation; as a result, portable generators were leased to provide power for the site until equipment for a permanent power supply could be installed; and

WHEREAS, on July 5, 2023, City Council authorized the purchase of eight (8) custom container dormitories under Resolution 2023-140, to be installed as part of the Phase IV interim shelter facility improvements; the Phase IV Interim Project facility was opened in December of 2023, providing housing for an additional 38 individuals; and

WHEREAS, both Phase III and Phase IV interim housing facilities are now being powered by four (4) portable generators, consisting of two (2) primary generators and two (2) backup generators, required by South San Joaquin County Fire to maintain power to the Fire Alarm Monitoring System; fuel costs have increased due to the higher demand of the additional facilities and residents; and

WHEREAS, in April of 2023, City Engineering staff issued a Notice Inviting Bidders for two permanent power supply construction contracts, separately from the facility site improvements, to expedite the procurement and installation of the electrical equipment that had a thirty-seven (37) week lead time; in May of 2023, bids were received from two contractors for each power supply, and one contractor was the low bidder on both contracts; the contract was awarded to the low bidder for both projects by Council on July 05, 2023; the low bidder failed to submit correctly completed construction contract documents as required, was determined to be non-responsive, and all bids were rejected December of 2023 and City Council authorized the readvertisement of the work, pursuant to Resolution 2024-004; and

WHEREAS, On April 2, 2024, pursuant to Resolution 2024-047, City Council approved an Agreement with Nelco Electric, Inc. for the direct purchase of the power supply equipment, including switchgear and panel boards, for the permanent power supplies to be installed at the TEHF; the procurement of this electrical supply equipment enabled the City to proceed with bidding and awarding a construction contract for its installation; and

WHEREAS, on March 15, 2024, Staff prepared the plans, specifications and bid documents for the installation of the power supply equipment and related work and advertised the 370 and 384 W. Arbor Road Power Supply Project, CIP 71112, for competitive bids from March 15, 2024 until March 22, 2024; bids were received and publicly opened on April 4, 2024, at 3:00 p.m., and resulted in the following bids:

(1) American Engineering Contractors, Inc. dba Budget Electric, $573,084.52;
(2) Tennyson Electric, Inc. $669,276.94
(3) Bockmon & Woody Electric Company, Inc. $614,275.00; and

WHEREAS, American Engineering Contractors, Inc. dba Budget Electric was the lowest bidder but deemed not responsive for failing to fulfill all the bid requirements, in particular, the completion of five forms required by Federal-funding rules; only Bockmon & Woody Electric Company, Inc. complied with all bid requirements and was determined to be the lowest responsible bidder; and

WHEREAS, the estimated total budget for this project is $767,843.75, including the contract price for Bockmon & Woody Electric Company, Inc., the contingency amount of $61,427.50, and additional estimated City overhead, construction management, and design support costs of $92,141.25; and

WHEREAS, the total project cost amount has been previously appropriated and fully funded pursuant to City Council's approval of the Temporary Emergency Housing Facility, CIP 71112, which is an approved project in the City's Capital Improvement Plan; sufficient funds are available in the CIP for the purchase of the structure, and the current project budget; and

WHEREAS, the Tracy Homelessness Advisory Committee heard this item on May 14, 2024 and recommended that the City Council adopt the proposed Resolution; and

NOW THEREFORE, be it

RESOLVED: That the City Council for the City of Tracy hereby finds the actions approved by this resolution exempt from California Environmental Quality Act (CEQA) pursuant to Government Code Section 8698.4 as provided for homeless shelters; and be it further

RESOLVED: That the City Council hereby awards a construction contract to Bockmon & Woody Electric Company, Inc., of Stockton, California for the installation of permanent power supply equipment at 370 and 384 W. Arbor Road Power Supply Project at the Temporary Emergency Housing Facility (TEHF) Project, CIP 71112, with a contract price of $614,275.00, Ten Percent Contingency Amount of $61,427.50; and be it further

RESOLVED: That the City Council hereby authorizes the City Manager to approve change orders up to the contingency amount of $61,427.50, if needed, pursuant to Tracy Municipal Code Section 2.20.090(b).

* * * * * * * * * * * * * *

The foregoing Resolution 2024-_____ was adopted by the City Council on May 21, 2024, by the following vote:

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

_____N
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

May 21, 2024

Agenda Item 1.I

RECOMMENDATION

Staff recommends that the City Council adopt a Resolution: (1) approving, pursuant to Government Code Section 990.8, the execution of the Joint Powers Agreement with a consortium of public agencies to join an Insurance-Risk Pool Entity Collectively Known As Public Risk Innovation, Solutions (PRISM); and (2) approving the execution of a Memorandum of Understanding with PRISM to authorize the City to utilize PRISM to form an Owner-Controlled Insurance Program (OCIP) for use on future capital projects.

EXECUTIVE SUMMARY

Staff recommends adopting a Resolution to approve the City's creation of an Owner-Controlled Insurance Program (OCIP) for efficient management of insurance requirements for large City capital projects such as the City's Multi-Generational Recreation Center Project, CIP 78178. A prerequisite of utilizing an OCIP on such projects is its formal creation. Creation of an OCIP requires joining a joint powers authority comprised of other public agencies, collectively known as Public Risk, Innovation, Solutions, and Management (PRISM). Creating this OCIP requires the execution of a Joint Powers Agreement with that consortium causing the City to join PRISM, and the execution of a Memorandum of Understanding with PRISM to authorize the City to utilize PRISM to create its own OCIP.

BACKGROUND AND LEGISLATIVE HISTORY

According to Government Code Section 4420, a state or local governmental agency can opt for an owner-controlled or wrap-up insurance program when undertaking a construction or renovation project that costs over fifty million dollars ($50,000,000), provided the agency fulfills certain conditions and certifies the same.

DISCUSSION

An OCIP (Owner Controlled Insurance Program) is a type of self-insurance policy where the City joins a risk pool of other public agencies (including various cities and counties in the greater northern California region) and assumes direct responsibility for purchasing insurance policies that cover the activities of the contractor and subcontractors on the capital project. The policies will include commercial general liability, excess liability, workers' compensation, and builder's risk/property coverage insurance. The main advantage of an OCIP is that it reduces the administrative burden of negotiating and reviewing insurance policies with multiple subcontractors during the procurement process, which may be upwards of 20 or more subcontractors on large capital projects. It also provides the City with more control over the policies that cover the Project, which eliminates the risk of coverage gaps that can occur when a project is covered by a patchwork of insurance policies purchased by different contractors and subcontractors. The use of an OCIP can minimize the expenditure of public funds on capital projects in conjunction with the exercise of appropriate risk management and safety program oversight.

The traditional approach of naming the City as an "additional insured" under the contractor or subcontractor's policy can be problematic for a project of this scale. In the event of a claim, the insurance carriers for the various contractors and subcontractors will invariably attempt to shift or spread the responsibility to other contractors on the project, in some instances leading to

costly litigation. With an OCIP, the claims process is streamlined. All claims will be administered through a single program instead of multiple contractor/subcontractor's insurance policies. Overall, an OCIP is a practical and effective way to manage the insurance coverage of large construction projects. As an added benefit, as the pooled program aggregates more than $50,000,000 in volume, projects can be included with a construction value as low as $20,000,000.

The proposed OCIP is offered through a Joint Powers Agreement with a consortium of other public agencies in an insurance risk-pool known as, Public Risk Innovation, Solutions, and Management (PRISM). PRISM contracts with Alliant Insurance Services as a third-party administrator for the OCIP Program. Alliant serves as the program Administrator and Safety Manager for covered projects. PRISM, formerly known as the California State Association of Counties - Excess Insurance Authority (CSAC), which provides its member agencies the option to participate in an OCIP.

Pursuant to Government Code Sections 990.8, staff recommends City Council approve execution of the joint powers agreement attached hereto as Attachment A with a consortium of member public agencies causing the City to join a self-insured risk pool of public agencies collectively known as PRISM. Staff further recommends execution of the Memorandum of Understanding with PRISM for the adoption of the City's OCIP. The Joint Powers Agreement is the formational document creating the umbrella risk-pool among public agencies and governs the administration of all OCIP programs, whereas the MOU with PRISM memorializes PRISM's approval of the City joining the Joint Powers Authority as a member and participation in a City-owned OCIP for its projects.

By joining the Joint Powers Authority and adopting the OCIP separately, the City may utilize the OCIP for future qualifying large capital projects. Alternatively, the City may withdraw from the Joint Powers Authority at the end of a policy year with 60 days' notice to PRISM under Article 20 of the Joint Powers Agreement. Further, Section 11 of the MOU provides auto-termination after one (1) year following final completion of all City projects covered by the OCIP. Specific project terms are determined on a project-by-project basis, typically subject to a 60-month maximum and 120-month extended products-completed coverage.

There is no cost of joining PRISM except for the insurance premiums associated with the particular OCIP for each project, and the City has the ability to expand the OCIP to other capital projects in the future as needs may arise. Insurance costs from project to project will change based on various factors including construction cost, scope of project, and the insurance market at the time of procurement.

COORDINATION

Not Applicable.

CEQA DETERMINATION

This item is exempt from review under the California Environmental Quality Act because this item proposes an organizational or administrative activity that will not result in a direct or indirect physical change in the environment and is therefore not a "project." (CEQA Guidelines §§15378(b)(5)).

FISCAL IMPACT

There is no fiscal impact resulting from joining PRISM and creating an Owner-Controlled Insurance Program. Insurance coverage costs will be incurred in the future on a project-by-project basis.

STRATEGIC PLAN

This agenda item supports good governance by ensuring the efficient use of fiscal resources by identifying programs that integrate effective risk management and minimize liability to protect the City's financial stability.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a Resolution: (1) approving, pursuant to Government Code Section 990.8, the execution of the Joint Powers Agreement with a consortium of public agencies to join an Insurance-Risk Pool Entity Collectively Known As Public Risk Innovation, Solutions (PRISM); and (2) approving the execution of a Memorandum of Understanding with PRISM to authorize the City to utilize PRISM to form an Owner-Controlled Insurance Program (OCIP) for use on future capital projects.

Prepared by: Kim Dunniway, HR/Risk Analyst II
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Bijal Patel, City Attorney

Approved by: Midori Lichtwardt, City Manager

Attachments:

- A – Joint Powers Agreement with PRISM
- B – Memorandum of Understanding for MR OCIP Insurance Program with PRISM

JPA, PRISM

Amended: June 30, 2020

Adopted: October 5, 1979
Amended: May 12, 1980
Amended: January 23, 1987
Amended: October 7, 1988
Amended: March 1993
Amended: November 18, 1996
Amended: October 4, 2005
Amended: February 28, 2006
Amended: June 30, 2020

JOINT POWERS AGREEMENT
PUBLIC RISK INNOVATION, SOLUTIONS, AND MANAGEMENT

This Agreement is executed in the State of California by and among those counties and public entities organized and existing under the Constitution of the State of California, which are parties signatory to this Agreement. Public Risk Innovation, Solutions, and Management (referred to herein as PRISM), formerly known as CSAC Excess Insurance Authority, was formed under the sponsorship of CSAC. California counties, hereinafter called member counties, and public entities, hereinafter called member public entities, (collectively "members") shall be listed in Appendix A, which shall be attached hereto and made a part hereof.

RECITALS

WHEREAS, Article 1, Chapter 5, Division 7, Title 1 of the California Government Code (Section 6500 et seq.) permits two or more public agencies by agreement to exercise jointly powers common to the contracting parties; and

WHEREAS, Article 16, Section 6 of the California Constitution provides that insurance pooling arrangements under joint exercise of power agreements shall not be considered the giving or lending of credit as prohibited therein; and

WHEREAS, California Government Code Section 990.4 provides that a local public entity may self-insure, purchase insurance through an authorized carrier, or purchase insurance through a surplus line broker, or any combination of these; and

WHEREAS, pursuant to California Government Code Section 990.6, the cost of insurance provided by a local public entity is a proper charge against the local public entity; and

WHEREAS, California Government Code Section 990.8 provides that two or more local entities may, by a joint powers agreement, provide insurance for any purpose by any one or more of the methods specified in Government Code Section 990.4 and such pooling of self-insured claims or losses is not considered insurance nor subject to regulation under the Insurance Code; and

WHEREAS, the counties and public entities executing this Agreement desire to join together for the purpose of jointly funding and/or establishing excess and other insurance programs as determined;

NOW THEREFORE, the parties agree as follows:

ARTICLE 1
DEFINITIONS

"CSAC" shall mean the County Supervisors Association of California, dba California State Association of Counties.

"Board of Directors" or **"Board"** shall mean the governing body of PRISM.

"Claim" shall mean a claim made against a member arising out of an occurrence, which is covered by an excess or primary insurance program of PRISM in which the member is a participant.

"Executive Committee" shall mean the Executive Committee of the Board of Directors of PRISM.

"Fiscal year" shall mean that period of twelve months which is established by the Board of Directors as the fiscal year of PRISM.

"Government Code" shall mean the California Government Code.

"Insurance program" or **"program"** shall mean a program which has been designated as a major program of PRISM under which participating members are protected against designated losses, either through joint purchase of primary or excess insurance, pooling of self-insured claims or losses, purchased insurance or any other combination as determined by the Board of Directors. The Board of Directors, the Executive Committee, or a program's governing committee may determine applicable criteria for determining eligibility in any insurance program, as well as establishing program policies and procedures.

"Joint powers law" shall mean Article 1, Chapter 5, Division 7, Title 1 (commencing with Section 6500) of the Government Code.

"Loss" shall mean a liability or potential liability of a member, including litigation expenses, attorneys' fees and other costs, which is covered by an insurance program of PRISM in which the member is a participant.

"Member county" shall mean any county in the State of California which has executed this Agreement and become a member of PRISM. "Member County" shall also include those entities or other bodies set forth in Article 3 (c).

"Member Public Entity" shall mean any California public entity, which is not a California county, which has executed this Agreement, and become a member of PRISM, "Member Public Entity" shall also include those entities or other bodies set forth in Article 3(c).

"Miscellaneous Program" is an insurance program of PRISM that does not involve pooling of self-insured claims or losses and may be made available to members as well as non-member public entities that are not a party to this Agreement.

"Occurrence" shall mean an event which is more fully defined in the memorandums of coverage and/or policies of an insurance program in which the participating county or participating public entity is a member.

"Participating county" shall mean any member county which has entered into a program offered by PRISM pursuant to Article 14 of this Agreement and has not withdrawn or been canceled therefrom pursuant to Articles 20 or 21.

"**Participating public entity**" shall mean any member public entity which has entered into a program offered by PRISM pursuant to Article 14 of this Agreement and has not withdrawn or been canceled therefrom pursuant to Articles 20 or 21.

"Self-insured retention" shall mean that portion of a loss resulting from an occurrence experienced by a member, which is retained as a liability or potential liability of the member and is not subject to payment by PRISM.

"Reinsurance" shall mean insurance purchased by PRISM as part of an insurance program to cover that portion of any loss, which exceeds the joint funding capacity of that program.

ARTICLE 2
PURPOSES

This Agreement is entered into by the member counties and member public entities in order to jointly develop and fund insurance programs as determined. Such programs may include, but are not limited to, the creation of joint insurance funds, including primary and excess insurance funds, the pooling of self-insured claims and losses, purchased insurance, including reinsurance, and the provision of necessary administrative services. Such administrative services may include, but shall not be limited to, risk management consulting, loss prevention and control, centralized loss reporting, actuarial consulting, claims adjusting, and legal defense services.

ARTICLE 3
PARTIES TO AGREEMENT

(a) There shall be two classes of membership of the parties pursuant to this Agreement consisting of one class designated as Member Counties and another class designated as Member Public Entities.

(b) Each member county and member public entity, as a party to this Agreement, certifies that it intends to and does contract with all other members as parties to this Agreement and, with such other members as may later be added as parties to this Agreement pursuant to Article 19 as to all programs of which it is a participating member. Each member also certifies that the removal of any party from this Agreement, pursuant to Articles 20 or 21, shall not affect this Agreement or the member's obligations hereunder.

(c) A member for purposes of providing insurance coverage under any program of PRISM, may contract on behalf of, and shall be deemed to include:

Any public entity as defined in Government Code § 811.2 which the member requests to be added and from the time that such request is approved by the Executive Committee of PRISM.

Any nonprofit entity, including a nonprofit public benefit corporation formed pursuant to Corporations Code §§ 5111, 5120 and, 5065, which the member requests to be added and from the time that such request is approved by the Executive Committee.

(d) Any public entity or nonprofit so added shall be subject to and included under the member's SIR or deductible, and when so added, may be subject to such other terms and conditions as determined by the Executive Committee.

(e) Such public entity or nonprofit shall not be considered a separate party to this Agreement. Any public entity or nonprofit so added, shall not affect the member's representation on the Board of Directors and shall be considered part of and represented by the member for all purposes under this Agreement.

(f) The Executive Committee shall establish guidelines for approval of any public entity or nonprofit so added in accordance with Article 3(c) and (d).

(g) Should any conflict arise between the provisions of this Article and any applicable Memorandum of Coverage or other document evidencing coverage, such Memorandum of Coverage or other document evidencing coverage shall prevail.

ARTICLE 4
TERM

This Agreement shall continue in effect until terminated as provided herein.

ARTICLE 5
CREATION OF PRISM

Pursuant to the joint powers law, there is hereby created a public entity separate and apart from the parties hereto, to be known as Public Risk Innovation, Solutions, and Management ("PRISM"), with such powers as are hereinafter set forth.

ARTICLE 6
POWERS OF PRISM

PRISM shall have all of the powers common to General Law counties in California, such as Alpine County and all additional powers set forth in the joint powers law, and is hereby authorized to do all acts necessary for the exercise of said powers. Such powers include, but are not limited to, the following:

(a) To make and enter into contracts.

(b) To incur debts, liabilities, and obligations.

(c) To acquire, hold, or dispose of property, contributions and donations of property, funds, services, and other forms of assistance from persons, firms, corporations, and government entities.

(d) To sue and be sued in its own name, and to settle any claim against it.

(e) To receive and use contributions and advances from members as provided in Government Code Section 6504, including contributions or advances of personnel, equipment, or property.

(f) To invest any money in its treasury that is not required for its immediate necessities, pursuant to Government Code Section 6509.5.

(g) To allow non-member public entities and non-member counties to participate in Miscellaneous Programs and for risk management services to be provided to non-member counties and non-member public entities including out-of-state participants in a PRISM program.

(h) To carry out all provisions of this Agreement.

Said powers shall be exercised pursuant to the terms hereof and in the manner provided by law.

ARTICLE 7
BOARD OF DIRECTORS

PRISM shall be governed by the Board of Directors, which shall be composed as follows:

(a) One director from each member county, appointed by the member county board of supervisors and serving at the pleasure of that body. Each member county board of supervisors shall also appoint an alternate director who shall have the authority to attend, participate in and vote at any meeting of the Board of Directors when the director is absent. A director or alternate director shall be a county supervisor, other county official, or staff person of the member county, and upon termination of office or employment with the county, shall automatically terminate membership or alternate membership on the Board of Directors.

(b) Ten directors consisting of seven directors and three alternate directors chosen in the manner specified in the Bylaws from those participating as public entity members. A director or alternate public entity director shall be an official, or staff person of the public

entity member, and upon termination of office or employment with the public entity, shall automatically terminate membership or alternate membership on the Board of Directors.

(c) Member county directors shall consist of a minimum of 80% of the eligible voting members on the Board of Directors. The public entity member directors shall be reduced accordingly to ensure at least 80% of the Board of Directors consists of county director members (By way of example, if the number of county members is reduced from the current 54 by member withdrawals to a level of 28, then county members would be at the 80% level, 28/35. If the county members go to 27, then the public entity members would lose one seat and would only have 6 votes).

Any vacancy in a county director or alternate director position shall be filled by the appointing county's board of supervisors, subject to the Provisions of this Article. Any vacancy in a public entity director position shall be filled by vote of the public entity members.

A majority of the membership of the Board of Directors shall constitute a quorum for the transaction of business. Each member of the Board of Directors shall have one vote. Except as otherwise provided in this Agreement or any other duly executed agreement of the members, all actions of the Board of Directors shall require the affirmative vote of a majority of the members; provided, that any action which is restricted in effect to one of PRISM's insurance programs, shall require the affirmative vote of a majority of those Board of Directors members who represent counties and public entities participating in that program. For purposes of an insurance program vote, to the extent there are public entity members participating in a program, the public entity Board of Directors members as a whole shall have a minimum of one vote. The public entity Board of Directors members may in no event cast more votes than would constitute 20% of the number of total county members in that program (subject to the one vote minimum). Should the number of public entity Board of Directors votes authorized herein be less than the number of public entity Board of Directors members at a duly noticed meeting, the public entity Board of Directors members shall decide among themselves, which Board of Directors member shall vote. Should they be unable to decide, the President of PRISM shall determine which director(s) shall vote.

ARTICLE 8
POWERS OF THE BOARD OF DIRECTORS

The Board of Directors shall have the following powers and functions:

(a) The Board of Directors shall exercise all powers and conduct all business of PRISM, either directly or by delegation to other bodies or persons unless otherwise prohibited by this Agreement, or any other duly executed agreement of the members or by law.

(b) The Board of Directors may adopt such resolutions as deemed necessary in the exercise of those powers and duties set forth herein.

(c) The Board of Directors shall form an Executive Committee, as provided in Article 11. The Board of Directors may delegate to the Executive Committee and the Executive Committee may discharge any powers or duties of the Board of Directors except adoption of PRISM's annual budget. The powers and duties so delegated shall be specified in resolutions adopted by the Board.

(d) The Board of Directors may form, as provided in Article 12, such other committees as it deems appropriate to conduct the business of PRISM. The membership of any such other committee may consist in whole or in part of persons who are not members of the Board of Directors.

(e) The Board of Directors shall elect the officers of PRISM and shall appoint or employ necessary staff in accordance with Article 13.

(f) The Board of Directors shall cause to be prepared, and shall review, modify as necessary, and adopt the annual operating budget of PRISM. Adoption of the budget may not be delegated.

(g) The Board of Directors shall develop, or cause to be developed, and shall review, modify as necessary, and adopt each insurance program of PRISM, including all provisions for reinsurance and administrative services necessary to carry out such program.

(h) The Board of Directors, directly or through the Executive Committee, shall provide for necessary services to PRISM and to members, by contract or otherwise, which may include, but shall not be limited to, risk management consulting, loss prevention and control, centralized loss reporting, actuarial consulting, claims adjusting, and legal services.

(i) The Board of Directors shall provide general supervision and policy direction to the Chief Executive Officer.

(j) The Board of Directors shall receive and act upon reports of the committees and the Chief Executive Officer.

(k) The Board of Directors shall act upon each claim involving liability of PRISM, directly or by delegation of authority to the Executive Committee or other committee, body or person, provided, that the Board of Directors shall establish monetary limits upon any delegation of claims settlement authority, beyond which a proposed settlement must be referred to the Board of Directors for approval.

(l) The Board of Directors may require that PRISM review, audit, report upon, and make recommendations with regard to the safety or claims administration functions of any member, insofar as those functions affect the liability or potential liability of PRISM. The Board of Directors may forward any or all such recommendations to the member with a request for compliance and a statement of potential consequences for noncompliance.

(m) The Board of Directors shall receive, review and act upon periodic reports and audits of the funds of PRISM, as required under Articles 15 and 16 of this Agreement.

(n) The Board of Directors may, upon consultation with a casualty actuary, declare that any funds established for any program has a surplus of funds and determine a formula to return such surplus to the participating counties and participating public entities, which have contributed, to such fund.

(o) The Board of Directors shall have such other powers and duties as are reasonably necessary to carry out the purposes of PRISM.

ARTICLE 9
MEETINGS OF THE BOARD OF DIRECTORS

(a) The Board of Directors shall hold at least one regular meeting each year and shall provide for such other regular meetings and for such special meetings as it deems necessary.

(b) The Chief Executive Officer of PRISM shall provide for the keeping of minutes of regular and special meetings of the Board of Directors, and shall provide a copy of the minutes to each member of the Board of Directors at the next scheduled meeting.

(c) All meetings of the Board of Directors, the Executive Committee and such committees as established by the Board of Directors pursuant to Article 12 herein, shall be called,

noticed, held and conducted in accordance with the provisions of Government Code Section 54950 et seq.

ARTICLE 10
OFFICERS

The Board of Directors shall elect from its membership a President and Vice President of the Board, to serve for one-year terms.

The President, or in his or her absence, the Vice President, shall preside at and conduct all meetings of the Board of Directors and shall chair the Executive Committee.

ARTICLE 11
EXECUTIVE COMMITTEE

The Board of Directors shall establish an Executive Committee of the Board of Directors, which shall consist of eleven members: the President and Vice President of the Board of Directors, and nine members elected by the Board of Directors from its membership.

The terms of office of the nine non-officer members shall be as provided in the Bylaws of PRISM.

The Executive Committee shall conduct the business of PRISM between meetings of the Board of Directors, exercising all those powers as provided for in Article 8, or as otherwise delegated to it by the Board.

ARTICLE 12
COMMITTEES

The Board of Directors may establish committees, as it deems appropriate to conduct the business of PRISM. Members of the committees shall be appointed by the Board of Directors, to serve two year terms, subject to reappointment by the Board of Directors. The members of each committee shall annually select one of their members to chair the Committee.

Each committee shall be composed of at least five members and shall have those duties as determined by the Board of Directors, or as otherwise set forth in the Bylaws.

Each committee shall meet on the call of its chair, and shall report to the Executive Committee and the Board of Directors as directed by the Board of Directors.

ARTICLE 13
STAFF

(a) **Principal Staff.** The **Chief Executive Officer** shall be appointed by and serve at the pleasure of the Board of Directors. The Chief Executive Officer shall serve as the Board Secretary and administer the business and activities of PRISM, subject to the general supervision and policy direction of the Board of Directors and Executive Committee; shall be responsible for all minutes, notices and records of PRISM and shall perform such other duties as are assigned by the Board and Executive Committee.

(b) **Treasurer and Auditor.** Pursuant to Government Code Section 6505.6, the Chief Financial Officer shall serve as the Treasurer/Auditor. The duties of the Treasurer are set forth in Article 16 of this Agreement. The Chief Financial Officer shall draw warrants to pay demands against PRISM. The Chief Financial Officer shall comply with the provisions of Government Code Section 6505.5 (a-d) and shall be appointed by and serve at the pleasure of the Chief Executive Officer.

(c) **Other Staff.** The Board of Directors, Executive Committee or Chief Executive Officer shall provide for the appointment of such other staff as may be necessary for the administration of PRISM.

ARTICLE 14
DEVELOPMENT, FUNDING AND IMPLEMENTATION OF INSURANCE PROGRAMS

(a) **Program Coverage.** Insurance programs of PRISM may provide coverage, including excess insurance coverage for:

(1) Workers' compensation;

(2) Comprehensive liability, including but not limited to general, personal injury, contractual, public officials errors and omissions, and incidental malpractice liability;

(3) Comprehensive automobile liability;

(4) Hospital malpractice liability;

(5) Property and related programs;

and may provide any other coverages authorized by the Board of Directors. The Board of Directors shall determine, for each such program, a minimum number of participants required for program implementation and may develop specific program coverages requiring detailed agreements for implementation of the above programs.

(b) **Program and PRISM Funding.** The members developing or participating in an insurance program shall fund all costs of that program, including administrative costs, as hereinafter provided. Costs of staffing and supporting PRISM, hereinafter called PRISM general expenses, shall be equitably allocated among the various programs by the Board of Directors, and shall be funded by the members developing or participating in such programs in accordance with such allocations, as hereinafter provided. In addition, the Board of Directors may, in its discretion, allocate a share of such PRISM general expense to those members, which are not developing or participating in any program, and require those counties and public entities to fund such share through a prescribed charge.

(1) **Annual Premium.** Except as provided in (2) below, all post-development costs of an insurance program shall be funded by annual premiums charged to the members participating in the program each policy year, and by interest earnings on the funds so accumulated. Such premiums shall be determined by the Board of Directors or the program's governing committee upon the basis of a cost allocation plan and rating formula developed by PRISM with the assistance of a casualty actuary, risk management consultant, or other qualified person. The premium for each participating member shall include that participant's share of expected program losses including a margin for contingencies as determined by the Board of Directors, program reinsurance costs, and program administrative costs for the year, plus that participant's share of PRISM general expense allocated to the program by the Board of Directors.

(2) **Premium Surcharge**

(i) If PRISM experiences an unusually large number of losses under a program during a policy year, such that notwithstanding reinsurance coverage for large individual losses, the joint insurance funds for the program may be exhausted before the next annual premiums are due, the Board of Directors or the program's governing committee may, upon consultation with a casualty actuary, impose premium surcharges on all participating members; or

(ii) If it is determined by the Board of Directors or the program's governing committee, upon consultation with a casualty actuary, that the joint insurance funds for a program are insufficient to pay losses, fund known estimated losses, and fund estimated losses, which have been incurred but not reported, the Board of Directors or the program's governing committee may impose a surcharge on all participating members.

(iii) Premium surcharges imposed pursuant to (i) and/or (ii) above shall be in an amount which will assure adequate funds for the program to be actuarially sound; provided that the surcharge to any participating member shall not exceed an amount equal to three (3) times the member's annual premium for that year, unless otherwise determined by the Board of Directors or the program's governing committee.

Provided, however, that no premium surcharge in excess of three times the member's annual premium for that year may be assessed unless, ninety days prior to the Board of Directors taking action to determine the amount of the surcharge, PRISM notifies the governing body of each participating member in writing of its recommendations regarding its intent to assess a premium surcharge and the amount recommended to be assessed each member. PRISM shall, concurrently with the written notification, provide each participating member with a copy of the actuarial study upon which the recommended premium surcharge is based.

(iv) A member which is no longer a participating member at the time the premium surcharge is assessed, but which was a participating member during the policy year(s) for which the premium surcharge was assessed, shall pay such premium surcharges as it would have otherwise been assessed in accordance with the provisions of (i), (ii), and (iii) above.

(c) **Program Implementation and Effective Date.** Upon establishment of an insurance program by the Board of Directors, PRISM shall determine the manner of program implementation and shall give written notice to all members of such program, which shall include, but not be limited to: program participation levels, coverages and terms of coverage of the program, estimates of first year premium charges, effective date of the program (or estimated effective date) and such other program provisions as deemed appropriate.

(d) **Late Entry Into Program.** A member which does not elect to enter an insurance program upon its implementation, pursuant to (c) above, or a county or public entity which becomes a party to this Agreement following implementation of the program, may petition the Board of Directors for late entry into the program. Such request may be granted upon a majority vote of the Board of Directors members, plus a majority vote of those board members who represent participants in the program. Alternatively, a county or public entity may petition the Executive Committee for late entry into the program, or a program committee, when authorized by an MOU governing that specific program, may approve late entry into that program. Such request may be granted upon a majority vote of the Executive Committee or program committee.

(e) **Reentry Into A Program.** Except as otherwise provided in a Program Memorandum of Understanding, any county or public entity that is a member of an insurance program of PRISM who withdraws or is cancelled from an insurance program under Articles 21 and 22, may not reenter such insurance program for a period of three years from the effective date of withdrawal or cancellation.

ARTICLE 15
ACCOUNTS AND RECORDS

(a) **Annual Budget.** PRISM shall annually adopt an operating budget pursuant to Article 8 of this Agreement, which shall include a separate budget for each insurance program under development or adopted and implemented by PRISM.

(b) **Funds and Accounts.** The Auditor of PRISM shall establish and maintain such funds and accounts as may be required by good accounting practices and by the Board of Directors. Separate accounts shall be established and maintained for each insurance program under development or adopted and implemented by PRISM. Books and records of PRISM in the hands of the Auditor shall be open to inspection at all reasonable times by authorized representatives of members.

PRISM shall adhere to the standard of strict accountability for funds set forth in Government Code Section 6505.

(c) **Auditor's Report.** The Auditor, within one hundred and eighty (180) days after the close of each fiscal year, shall give a complete written report of all financial activities for such fiscal year to the Board and to each member.

(d) **Annual Audit.** Pursuant to Government Code Section 6505, PRISM shall either make or contract with a certified public accountant to make an annual fiscal year audit of all accounts and records of PRISM, conforming in all respects with the requirements of that section. A report of the audit shall be filed as a public record with each of the members and also with the county auditor of the county where the home office of PRISM is located and shall be sent to any public agency or person in California that submits a written request to PRISM. The report shall be filed within six months of the end of the fiscal year or years under examination. Costs of the audit shall be considered a general expense of PRISM.

ARTICLE 16
RESPONSIBILITIES FOR FUNDS AND PROPERTY

(a) The Treasurer shall have the custody of and disburse PRISM's funds. He or she may delegate disbursing authority to such persons as may be authorized by the Board of Directors to perform that function, subject to the requirements of (b) below.

(b) Pursuant to Government Code Section 6505.6, the Treasurer shall:

(1) Receive and acknowledge receipt for all funds of PRISM and place them in the treasury of the Treasurer to the credit of PRISM.

(2) Be responsible upon his or her official bond for the safekeeping and disbursements of all PRISM funds so held by him or her.

(3) Pay any sums due from PRISM, as approved for payment by the Board of Directors or by any body or person to whom the Board of Directors has delegated approval authority, making such payments from PRISM funds upon warrants drawn by the Auditor.

(c) Pursuant to Government Code Section 6505.1, the Chief Executive Officer, the Treasurer, and such other persons as the Board of Directors may designate shall have charge of, handle, and have access to the property of PRISM.

(d) PRISM shall secure and pay for a fidelity bond or bonds, in an amount or amounts and in the form specified by the Board of Directors, covering all officers and staff of PRISM, and all officers and staff who are authorized to have charge of, handle, and have access to property of PRISM.

ARTICLE 17
RESPONSIBILITIES OF MEMBERS

Members shall have the following responsibilities under this Agreement.

(a) The board of supervisors of each member county shall appoint a representative and one alternate representative to the Board of Directors, pursuant to Article 7.

(b) Each member shall appoint an officer or employee of the member to be responsible for the risk management function for that member and to serve as a liaison between the member and PRISM for all matters relating to risk management.

(c) Each member shall maintain an active risk control program, and shall consider and act upon all recommendations of PRISM concerning the reduction of unsafe practices.

(d) Each member shall maintain its own claims and loss records in each category of liability covered by an insurance program of PRISM in which the member is a participant, and shall provide copies of such records to PRISM as directed by the Board of Directors or Executive Committee, or to such other committee as directed by the Board of Directors or Executive Committee.

(e) Each member shall pay premiums and premium surcharges due to PRISM as required under Article 14. Penalties for late payment of such premiums and/or premium surcharges shall be as determined and assessed by the Board of Directors. After withdrawal, cancellation, or termination action under Articles 20, 21, or 23, each member shall pay promptly to PRISM any additional premiums due, as determined and assessed by the Board of Directors under Articles 22 or 23. Any costs incurred by PRISM associated with the collection of such premiums or other charges, shall be recoverable by PRISM.

(f) Each member shall provide PRISM such other information or assistance as may be necessary for PRISM to develop and implement insurance programs under this Agreement.

(g) Each member shall cooperate with and assist PRISM, and any insurer of PRISM, in all matters relating to this Agreement, and shall comply with all Bylaws, and other rules by the Board of Directors.

(h) Each member shall have such other responsibilities as are provided elsewhere in this Agreement, and as are established by the Board of Directors in order to carry out the purposes of this Agreement.

ARTICLE 18
ADMINISTRATION OF CLAIMS

(a) Subject to subparagraph (e), each member shall be responsible for the investigation, settlement or defense, and appeal of any claim made, suit brought, or proceeding instituted against the member arising out of a loss.

(b) PRISM may develop standards for the administration of claims for each insurance program of PRISM so as to permit oversight of the administration of claims by the members.

(c) Each participating member shall give PRISM timely written notice of claims in accordance with the provisions of the Bylaws and the applicable program Memorandum of Coverage.

(d) A member shall not enter into any settlement involving liability of PRISM without the advance written consent of PRISM.

(e) PRISM, at its own election and expense, shall have the right to participate with a member in the settlement, defense, or appeal of any claim, suit or proceeding, which, in the judgment of PRISM, may involve liability of PRISM.

ARTICLE 19
NEW MEMBERS

Any California public entity may become a party to this Agreement and participate in any insurance program in which it is not presently participating upon approval of the Board of Directors, by a majority vote of the members, or by majority vote of the Executive Committee.

ARTICLE 20
WITHDRAWAL

(a) A member may withdraw as a party to this Agreement upon thirty (30) days advance written notice to PRISM if it has never become a participant in any insurance program pursuant to Article 14, or if it has previously withdrawn from all insurance programs in which it was a participant.

(b) After becoming a participant in an insurance program, a member may withdraw from that program only at the end of a policy year for the program, and only if it gives PRISM at least sixty (60) days advance written notice of such action.

ARTICLE 21
CANCELLATION

(a) Notwithstanding the provisions of Article 20, the Board of Directors may:

(1) Cancel any member from this Agreement and membership in PRISM, on a majority vote of the Board of Directors members. Such action shall have the effect of canceling the member's participation in all insurance programs of PRISM as of the date that all membership is canceled.

(2) Cancel any member's participation in an insurance program of PRISM, without canceling the member's membership in PRISM or participation in other programs, on a vote of two-thirds of the Board of Directors members present and voting who represent participants in the program.

The Board of Directors shall give sixty (60) days advance written notice of the effective date of any cancellation under the foregoing provisions. Upon such effective date, the member shall be treated the same as if it had voluntarily withdrawn from this Agreement, or from the insurance program, as the case may be.

(b) Except as otherwise provided in a program Memorandum of Understanding, a member that does not enter one or more of the insurance programs developed and implemented by PRISM within the member's first year as a member of PRISM shall be considered to have withdrawn as a party to this Agreement at the end of such period, and its membership in PRISM shall be automatically canceled as of that time, without action of the Board of Directors.

(c) A member which withdraws from all insurance programs of PRISM in which it was a participant and does not enter any program for a period of six (6) months thereafter shall be considered to have withdrawn as a party to the Agreement at the end of such period, and its membership in PRISM shall be automatically canceled as of that time, without action of the Board of Directors.

ARTICLE 22
EFFECT OF WITHDRAWAL OR CANCELLATION

(a) If a member's participation in an insurance program of PRISM is canceled under Article 21, with or without cancellation of membership in PRISM, and such cancellation is effective before the end of the policy year for that program, PRISM shall promptly determine and return to that member the amount of any unearned premium payment from the member for the policy year, such amount to be computed on a pro-rata basis from the effective date of cancellation.

(b) Except as provided in (a) above or as otherwise provided in a program Memorandum of Understanding, a member which withdraws or is canceled from this Agreement and membership in PRISM, or from any program of PRISM, shall not be entitled to the return of any premium or other payment to PRISM, or of any property contributed to PRISM. However, in the event of termination of this Agreement, such member may share in the distribution of assets of PRISM to the extent provided in Article 23 provided; however, that any withdrawn or canceled member, which has been assessed a premium surcharge pursuant to Article 14 (b) (3) (ii) shall be entitled to return of said member's unused surcharge, plus interest accrued thereon, at such time as the Board of Directors declares that a surplus exists in any insurance fund for which a premium surcharge was assessed.

(c) Except as provided in (d) below, a member shall pay any premium charges, which the Board of Directors determines are due from the member for losses and costs incurred during the entire coverage year in which the member was a participant in such program regardless of the date of entry into such program. Such charges may include any deficiency in a premium previously paid by the member, as determined by audit under Article 14 (b) (2); any premium surcharge assessed to the member under Article 14 (b) (3); and any additional amount of premium, which the Board of Directors determines to be due from the member upon final disposition of all claims arising from losses under the program during the entire coverage year in which the member was a participant regardless of date of entry into such program. Any such premium charges shall be payable by the member in accordance with PRISM's invoice and payment policy.

(d) Those members that have withdrawn or been canceled pursuant to Articles 20 and 21 from any program of PRISM during a coverage year shall pay any premium charges which the Board of Directors determines are due from the members for losses and costs which were incurred during the member's participation in any program.

ARTICLE 23
TERMINATION AND DISTRIBUTION OF ASSETS

(a) A three-fourths vote of the total voting membership of PRISM, consisting of member counties, acting through their boards of supervisors, and the voting Board of Directors members from the member public entities, is required to terminate this Agreement; provided; however, that this Agreement and PRISM shall continue to exist after such election for the purpose of disposing of all claims, distributing all assets, and performing all other functions necessary to conclude the affairs of PRISM.

(b) Upon termination of this Agreement, all assets of PRISM in each insurance program shall be distributed among those members which participated in that program in proportion to their cash contributions, including premiums paid and property contributed (at market value when contributed). The Board of Directors shall determine such distribution within six (6) months after disposal of the last pending claim or other liability covered by the program.

(c) Following termination of this Agreement, any member which was a participant in an insurance program of PRISM shall pay any additional amount of premium, determined by the Board of Directors in accordance with a loss allocation formula, which may be

necessary to enable final disposition of all claims arising from losses under that program during the entire coverage year in which the member was a participant regardless of the date of entry into such program.

ARTICLE 24
LIABILITY OF BOARD OF DIRECTORS, OFFICERS, COMMITTEE MEMBERS AND LEGAL ADVISORS

The members of the Board of Directors, Officers, committee members and legal advisors to any Board of Directors or committees of PRISM shall use ordinary care and reasonable diligence in the exercise of their powers and in the performance of their duties pursuant to this Agreement. They shall not be liable for any mistake of judgment or any other action made, taken or omitted by them in good faith, nor for any action taken or omitted by any agent, employee or independent contractor selected with reasonable care, nor for loss incurred through investment of PRISM funds, or failure to invest.

No Director, Officer, committee member, or legal advisor to any Board of Directors or committee shall be responsible for any action taken or omitted by any other Director, Officer, committee member, or legal advisor to any committee. No Director, Officer, committee member or legal advisor to any committee shall be required to give a bond or other security to guarantee the faithful performance of their duties pursuant to this Agreement.

The funds of PRISM shall be used to defend, indemnify and hold harmless PRISM and any Director, Officer, committee member or legal advisor to any committee for their actions taken within the scope of the authority of PRISM. Nothing herein shall limit the right of PRISM to purchase insurance to provide such coverage, as is hereinabove set forth.

ARTICLE 25
BYLAWS

The Board of Directors may adopt Bylaws consistent with this Agreement, which shall provide for the administration and management of PRISM.

ARTICLE 26
NOTICES

PRISM shall address notices, billings and other communications to a member as directed by the member. Each member shall provide PRISM with the address to which communications are to be sent. Members shall address notices and other communications to PRISM to the Chief Executive Officer of PRISM, at the office address of PRISM as set forth in the Bylaws.

ARTICLE 27
AMENDMENT

A two-thirds vote of the total voting membership of PRISM, consisting of member counties, acting through their boards of supervisors, and the voting Board of Directors members from member public entities, is required to amend this Agreement. However, the Executive Committee is authorized to make non-substantive, clerical amendments to the Agreement and does not need to obtain approval from the Board of Directors to make such amendments.

ARTICLE 28
EFFECTIVE DATE OF AMENDMENTS

Any amendment of this Agreement shall become effective upon the date specified by the Board of Directors and upon approval of any Amended Agreement as required in Article 27. Approval of any amendment by the voting boards of supervisors and public entity board members must take place no later than 30 days from the effective date specified by the Board of Directors.

ARTICLE 29
PROHIBITION AGAINST ASSIGNMENT

No member may assign any right, claim or interest it may have under this Agreement, and no creditor, assignee or third party beneficiary of any member shall have any right, claim or title to any part, share, interest, fund, premium or asset of PRISM.

ARTICLE 30
AGREEMENT COMPLETE

This Agreement constitutes the full and complete Agreement of the parties.

ARTICLE 31
DISPUTE RESOLUTION

When a dispute arises between PRISM and a member, the following procedures are to be followed:

(a) Request for Reconsideration. The member will make a written request to PRISM for the appropriate Committee to reconsider their position, citing the arguments in favor of the member and any applicable case law that applies. The member can also, request a personal presentation to that Committee, if it so desires.

(b) Committee Appeal. The committee responsible for the program or having jurisdiction over the decision in question will review the matter and reconsider PRISM's position. This committee appeal process is an opportunity for both sides to discuss and substantiate their positions based upon legal arguments and the most complete information available. If the member requesting reconsideration is represented on the committee having jurisdiction, that committee member shall be deemed to have a conflict and shall be excluded from any vote.

(c) Executive Committee Appeal. If the member is not satisfied with the outcome of the committee appeal, the matter will be brought to the Executive Committee for reconsideration upon request of the member. If the member requesting reconsideration is represented on the Executive Committee, that Executive Committee member shall be deemed to have a conflict and shall be excluded from any vote.

(d) Arbitration. If the member is not satisfied with the outcome of the Executive Committee appeal, the next step in the appeal process is arbitration. The arbitration, whether binding or non-binding, is to be mutually agreed upon by the parties. The matter will be submitted to a mutually agreed arbitrator or panel of arbitrators for a determination. If Binding Arbitration is selected, then the decision of the arbitrator is final. Both sides agree to abide by the decision of the arbitrator. The cost of arbitration will be shared equally by the involved member and PRISM.

(e) Litigation. If, after following the dispute resolution procedure paragraphs a-d, either party is not satisfied with the outcome of the non-binding arbitration process, either party may consider litigation as a possible remedy to the dispute.

ARTICLE 32
FILING WITH SECRETARY OF STATE

The Chief Executive Officer of PRISM shall file a notice of this Agreement with the office of California Secretary of State within 30 days of its effective date, as required by Government Code Section 6503.5 and within 70 days of its effective date as required by Government Code Section 53051.

IN WITNESS WHEREOF, the undersigned party hereto has executed this Agreement on the date indicated below.

DATE:_____ MEMBER: _____
(Print Name of Member)

BY: _____
(Authorized signature of Member)

Seal:

Adopted: 1/1/2013

MEMORANDUM OF UNDERSTANDING
MASTER ROLLING OWNER CONTROLLED INSURANCE PROGRAM

This Memorandum of Understanding (hereinafter “Memorandum”) is entered into by and between Public Risk Innovation, Solutions, and Management (hereinafter referred to as "PRISM") and the participating entities (hereinafter “Members”) who are signatories to this Memorandum.

1. **CREATION OF THE PROGRAM.** There is hereby created by this Memorandum the Master Rolling Owner Controlled Insurance Program (OCIP) (hereafter “Program”). The Program is designed to join multiple construction projects from multiple Members to create a risk sharing pool. The Program will create a major program of PRISM.

2. **JOINT POWERS AGREEMENT.** Except as otherwise provided herein, all terms used herein shall be as defined in Article 1 of the Joint Powers Agreement Creating Public Risk Innovation, Solutions, and Management (hereinafter referred to as "Agreement"), and all other provisions of the Agreement not in conflict with this Memorandum shall be applicable.

3. **GOVERNING COMMITTEE.** The Executive Committee of the Public Risk Innovation, Solutions, and Managment (hereafter “Committee”) shall have full authority to determine all matters affecting the Program and its members, including, but not limited to, approval of new members, program structure and premium/rate setting.

4. **MEMBERSHIP.** Membership in the Program consists of either of the following:

   a. A “Self-Insured Member” is defined as a Member who participates in Tower I of the Program, is issued their own policy and is not part of the self-insured pooled program, or

   b. A “Pool Member” is defined as a Member who participates in Tower II of the Program and is part of the self-insured pooled program.

5. **APPROVAL OF NEW MEMBERS – APPLICATION TO THE PROGRAM.** Any public entity wishing to become a Member of the Program shall make application to and be approved by a majority vote of the Committee in a manner prescribed by them. The Committee may develop specific criteria for accepting new Members.

6. **PROGRAM PARTICIPATION.** Approval by the Committee as a Member of the Program and adoption of this Memorandum by the Member allows for participation in the Program. Participation in the Program may be in either Tower I or Tower II. A Member shall be entitled to participate in the Program until it has

withdrawn in accordance with the provisions of paragraph 11 of this Memorandum.

7. **PREMIUM.** Annual rates/premiums will be established by the Committee in consultation with the carrier, actuaries and/or other consultants. The Annual rates for a given year will apply to any project that is enrolled in the Program during that year for the duration of the project.

8. **ADMINISTRATION COSTS.** PRISM shall be entitled to assess annual administration costs associated with the Program. Administrative costs for the Program shall be determined through PRISM's budget process. The source of the funds for the Program will be administrative charges, interest earnings or a combination of both.

9. **DIVIDENDS AND ASSESSMENTS (Applicable to Pool Members Only).** Should the Program not be adequately funded for any reason, pro-rata assessments to the Pool Members may be utilized to ensure the approved funding level for applicable policy periods. Any assessments, which are deemed necessary to ensure approved funding levels, shall be made upon the approval of the Committee in accordance with the following:

   a. Any dividends or assessments shall be based upon the percent of contribution for losses for Pool Members only.

   b. Any assessment shall be spread to all Pool Members who participated in the Program Year being assessed whether or not they are participating in the Program at the time of the assessment.

   c. Self-Insured Members shall not be eligible for dividends or assessments except for those derived from their own individual project(s), as described in their respective coverage documents.

10. **CLOSURE OF PROGRAM YEARS.** "Program Year" shall mean the calendar year that a particular Member's project incepts. All projects that incept in the same calendar year shall belong to the same Program Year regardless of the length of time to complete each project. For purposes of closing Program Years and determining dividends or assessments, one or more Program Year(s) may be evaluated for closure. The Program may retain a percentage of any declared dividend (retained assets) for purposes of funding future Program Years, or repaying obligations of the Program. The Program may close deficit balance Program Year(s) using retained assets in lieu of assessing members of the closing Program Year(s). Program Year(s) with positive balances may also be combined with Program Year(s) with negative balances to avoid an assessment in the

negative balance year(s). Positive balance Program Years will not be subject to assessment due to the closing of negative balance Program Years.

11. **WITHDRAWAL AND/OR CANCELLATION FROM THE PROGRAM.** Withdrawal and/or cancellation of a Member from the Program shall be in accordance with the provisions of Article 20 or 21 of the Agreement, except that after one (1) year following final completion of all covered projects owned by the Member, the Member shall be deemed to have withdrawn "in good standing" without any action by the Member or by PRISM. Notwithstanding any other provisions, any dividend declared shall be payable to any withdrawn Member in good standing as if that Member was still a participating Member of the Program at the time of the dividend declaration. Article 14(e) of the Agreement, Reentry Into A Program, shall not apply to withdrawn Members in good standing.

12. **COVERAGE DOCUMENTS.** A master coverage document will be issued by the carrier, which will be endorsed for newly enrolled projects into the Program.

13. **CLAIMS ADMINISTRATION.** Claims administration services shall be provided by the insurance carrier(s) and/or their assignee.

14. **LATE PAYMENTS.** Notwithstanding any other provision to the contrary regarding late payment of invoices or cancellation from a Program, at the discretion of the Executive Committee, any Member that fails to pay an invoice when due may be given a ten (10) day written notice of cancellation.

15. **DISPUTES.** Any question or dispute with respect to the rights and obligations of the parties to this Memorandum regarding coverage shall be determined in accordance with the Joint Powers Agreement Article 31, Dispute Resolution.

16. **AMENDMENT.** This Memorandum may be amended by a majority vote of the Executive Committee and signature on the Memorandum by the Member's designated representative who shall have authority to execute this Memorandum. Should a Member of the Program fail to execute any amendment to this Memorandum within the time provided by the Executive Committee, the Member will be deemed to have withdrawn as of the final completion of the Member's covered project.

17. **COMPLETE AGREEMENT.** Except as otherwise provided herein, this Memorandum constitutes the full and complete agreement of the Members.

18. **SEVERABILITY.** Should any provision of this Memorandum be judicially determined to be void or unenforceable, such determination shall not affect any remaining provision.

19. **EFFECTIVE DATE.** This Memorandum shall become effective on the effective date of coverage for the Member and upon approval by the Executive Committee of any amendment, whichever is later.

20. **EXECUTION IN COUNTERPARTS.** This Memorandum may be executed in several counterparts, each of which shall be an original, all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the undersigned have executed this Memorandum as of the date set forth below.

Dated: 5/8/24

Public Risk Innovation, Solutions, and Management

Dated: _____

_____
Signature

Printed Name: _____

Title: _____

Member Entity: _____

APPROVED AS TO FORM AND LEGALITY

_____
CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. 2024-

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(1) APPROVING, PURSUANT TO GOVERNMENT CODE SECTION 990.8, THE EXECUTION OF THE JOINT POWERS AGREEMENT WITH A CONSORTIUM OF OTHER PUBLIC AGENCIES TO JOIN AN INSURANCE RISK POOL ENTITY COLLECTIVELY KNOWN AS PUBLIC RISK INNOVATION, SOLUTIONS, AND MANAGEMENT (PRISM); AND (2) APPROVING A MEMORANDUM OF UNDERSTANDING WITH THE JOINT POWER AUTHORITY, PRISM, TO ESTABLISH AN OWNER CONTROLLED INSURANCE PROGRAM FOR CITY PROJECTS

WHEREAS, Article 1, Chapter 5, Division 7, Title 1 of the California Government Code (Section 6500 et seq.) permits two or more public agencies by agreement to exercise jointly powers common to the contracting parties; and

WHEREAS, Government Code Section 990.8 authorizes two or more public entities, by a Joint Powers Agreement, to pool self-insurance for any purpose; and

WHEREAS, the City of Tracy desires to join together with the public agency members from other public agencies (including various cities and counties in the greater Northern California Region) of the Public Risk Innovation, Solutions, and Management (PRISM) for the purpose of jointly funding and/or establishing an Owner-Controlled Insurance Program (OCIP) for efficient management of insurance matters on large capital projects; and

WHEREAS, there is no immediate cost or fiscal impact resulting from joining PRISM or adopting an OCIP; insurance costs are incurred on a project-specific basis; and

WHEREAS, the creation of the City's Owner-Controlled Insurance Program (OCIP) requires becoming public agency members of the Joint Powers Authority known as Public Risk Innovation, Solutions, and Management (PRISM) by execution of the Joint Powers Agreement attached hereto as Attachment A, and execution of the Memorandum of Understanding with PRISM attached hereto as Attachment B; and

WHEREAS, project-specific utilization of the City's OCIP will require City Council to separately approve a project-specific insurance agreement with PRISM and adopt project-specific findings provided in Government Code Section 4420(b); and

NOW, THEREFORE, be it

RESOLVED: That the City Council for the City of Tracy authorizes execution of the Public Risk Innovation, Solutions, and Management Joint Powers Agreement attached hereto as Attachment A for the purpose of enabling the City to establish an Owner-Controlled Insurance Program; and be it further

RESOLVED: That the City Council authorizes execution of the Memorandum of Understanding with Public Risk Innovations, Solutions, and Management attached hereto as Attachment B authorizing the City to establish an Owner Controlled Insurance Program (OCIP); and be it further

RESOLVED: That the City Council directs City staff to return to City Council for approval to utilize the City's Owner Controlled Insurance Program (OCIP) on any City project, authorization to procure an OCIP insurance policy for the project, and for the Council's adoption of project-specific findings as required by Government Code Section 4420(b).

* * * * * * * * * * * * * *

The foregoing Resolution 2024-_____ was adopted by the Tracy City Council on May 21, 2024, 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

ATTACHMENTS:

- A – Joint Powers Agreement forming PRISM
- B – PRISM Memorandum of Understanding

May 21, 2024

Agenda Item 1.J

RECOMMENDATION

Staff recommends that the City Council adopt a Resolution:

1) awarding a construction contract to Roebbelen Contracting, Inc. of El Dorado Hills, California for construction of the Multi-Generational Recreation Center Project, CIP 78178, for a contract amount of $60,221,000;

2) authorizing the City Manager to approve change orders on the contract with Roebbelen Contracting, Inc. up to the maximum contingency amount of $6,022,100, if needed, pursuant to Tracy Municipal Code Section 2.20.090(b);

3) approving the execution of a Gas and Electric Extension Agreement with Pacific Gas & Electric for the Project for a not-to-exceed amount of $190,000.00;

4) authorize the City Manager, pursuant to Government Code Section 4420(b), to proceed with the proposal from Alliant for an Owner-Controlled Insurance Program (OCIP) to procure construction insurance for the Project for a not-to-exceed amount of $1,796,052.

EXECUTIVE SUMMARY

Staff recommends adopting Resolution containing several Project-specific approvals, including the award of a construction contract with Roebbelen Contracting, Inc. of El Dorado Hills, California for the fully-funded Multi-Generational Recreation Center Project, CIP 78178 (Project), an agreement with Pacific Gas & Electric (PG&E) to provide electrical service to the new facility for a not-to-exceed amount of $190,000.00, and authorization to the City Manager to proceed with a proposal for a Project-specific insurance policy with Alliant for a not-to-exceed amount of $1,796,052.

BACKGROUND AND LEGISLATIVE HISTORY

In 2018, the City Council approved the Project as a major amenity, to be funded by Measure V sales tax revenue, that would provide a space to serve a broad spectrum of the City's demographics, including families, teens, seniors, and commuters.

In August 2021, the Council established programming priorities (City Council Program Priorities) for the Project in the following order, from most important to least important:

1. Gymnasium
2. Outdoor Recreation Facilities
3. Multi-Purpose Room
4. Library and Education Spaces
5. Lounge/Lobby
6. Teaching Kitchen

The City hired LPA Design, Inc. (LPA) in February 2022 to lead the design of the Project. Since that time City staff, in collaboration with LPA, the project executive and steering committee teams, as well as community members, have been working to develop plans for a new multi-generational recreational center in Tracy. Through that process, the City Council declared that El Pescadero

Park was the site location for the Project (Resolution 2022-015) and a Master Plan was developed to reimagine the community park.

At the October 18, 2022, Council meeting, the City Council provided specific direction on concept, design, and cost options for the Project. This direction was to proceed with a building program that included the City Council Program Priorities, including a three-court gymnasium, elevated running track, and a bouldering wall. Additionally, the Council wanted to proceed with the complete reimagining of El Pescadero Park which included a new dog park, new skate park, new nature trails with fitness, north-south pedestrian/bike path, a lighted basketball court, public art, a new parking lot with vehicular circulation, and landscaping. More information about the Project is available at www.cityoftracyreccenter.com.

Over the next year, staff and LPA worked collaboratively to refine the Project design based on the direction received in October 2022 including holding a series of technical meetings to allow for direct dialogue between City staff from multiple departments and the design team.

On December 5, 2023, the City Council approved a proposed funding plan for the Project which included future appropriations from Impact Fees and Transit funds and an authorization to proceed with lease revenue bond financing against Measure V funds in the amount of $54,000,000. Councilmember Bedolla requested that the new basketball court be lighted through a bid alternate and Mayor Young supported the request.

On January 16, 2024, the City council adopted the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program, in accordance with California Environmental Quality Act, for the Project.

Contractor Pre-Qualification Process

The City has an established system for prequalification of prospective bidders for public works construction projects that involve construction of public buildings and other major infrastructure projects that require significant specialized experience or expertise. Based on the scope and scale of the Project, staff determined that a pre-qualification process would be advantageous. This process allows the City to review and evaluate qualifications and responsiveness of potential bidders prior to bidding (See Tracy Municipal Code Section 2.20.275).

The Request for Qualifications (RFQ) for prospective bidders advertising the pre-qualification process was issued on September 26, 2023, and closed on October 26, 2023.

The City received submittals from seven (7) construction firms. City staff and the City's construction management firm (Gilbane) reviewed the submittals for completeness and rated them based on a uniform system of rating. Based on the pre-qualification criteria, the City Engineer determined the following construction firms were qualified to submit construction bids for the Project.

- Midstate Construction
- Otto Construction
- Roebbelen Contracting, Inc.
- Swinerton Builders
- S.J. Amoroso Construction Co., LLC

ANALYSIS

LPA, under a professional services agreement (Resolutions 2022-177) prepared the plans, specifications, and estimate for the Project. The engineer's estimate at the time of bidding was $65,943,629. The Project was advertised for competitive bids on March 15, 2024, and March 22, 2024.

Bidders were instructed to bid a lump sum proposal for all labor and materials required to complete the Project. In addition, eight add-alternate costs were included as individual items as follows:

- Alternate 1A: Concrete Reinforcing GWP
- Alternate 1B: Provide EDPs per specs for concrete mixes 20% lower
- Alternate 1C: Provide EDPs per specs for Unit masonry
- Alternate 1D: Provide EDPs per specs for Unit structural steel framing
- Alternate 1E: Provide EDPs per specs for Unit steel joist framing
- Alternate 1F: Provide EDPs per specs for Unit steel decking
- Alternate 2: Provide air testing prior to occupancy of new building as outlined in spec
- Alternate 3: Provide lighting at basketball courts per drawings and specs

Bids were received and publicly opened in City Hall Conference Room 203 and via teleconference at 2:30 p.m. on Thursday, April 18, 2024, with the following results:

Contractor	**Base Bid**
Swinerton Builders	$48,876,000.00
Roebbelen Contracting, Inc.	$60,060,000.00
S.J. Amoroso Construction Co., LLC	$63,247,000.00
Otto Construction	$67,292,000.00

Contractor	**Add Alt 1A**	**Add Alt 1B**	**Add Alt 1C**	**Add Alt 1D**	**Add Alt 1E**	**Add Alt 1F**	**Add Alt 2**	**Add Alt 3**
Swinerton Builders	$27,000	$27,000	$27,000	$27,000	$27,000	$27,000	$53,000	$105,000
Roebbelen Contracting, Inc.	$44,500	$89,000	$124,200	$133,600	$100,800	$56,250	$45,700	$161,000
S.J. Amoroso Construction Co., LLC	$60,000	$90,000	$25,000	$25,000	$25,000	$25,000	$110,000	$70,000
Otto Construction	$0	$0	$0	$0	$0	$0	$22,400	$149,100

On Monday, April 22, 2024, the City received written correspondence from the apparent low bidder Swinerton Builders (Swinerton), requesting that it be allowed to withdraw its bid pursuant to California Public Contract Code section 5100, et seq., and Section 11 of the Instructions to Bidders. Swinerton's bid contains clerical mistakes that render it materially different from what

Swinerton intended. Staff has accepted the Bid Withdrawal without forfeiture of the bid security because the Bidder has met the four required conditions:

1. The Bidder has established to the City's satisfaction that a mistake was made.
2. The Bidder notified the City within five working days.
3. The mistake made the bid materially different that intended by the contractor.
4. The mistake was made in filling out the bid documents, not due to an error in judgement or to carelessness in inspecting the work site and reading the plans.

Due to Swinerton withdrawing its bid, staff's bid analysis indicated that Roebbelen Contracting, Inc. is the lowest bidder. The low bid was 9% less than the engineer's estimate of $65,943,628. The bidder has the appropriate contractor's license in active standing with the State of California and is pre-qualified to bid on the Project.

Staff is recommending that the City Council award the Base Bid in the amount of $60,060,000 and Add-Alternative 3 (Provide lighting at basketball courts per drawings and specs) in the amount of $161,000 for a total construction contract cost of $60,221,000.

The total estimated cost of this project, if awarded to the lowest bidder, is as follows:

Planning & Design	$ 6,765,744
Construction Contract	$ 60,221,000
Construction Contingency (10% of Construction Contract)	$ 6,022,100
Construction Management	$ 3,433,900
Public Art Allowance (1% of Construction Bid)	$ 602,210
Furniture, Fixtures and Equipment (FF&E)	$ 850,000
Inspections, Testing, Administration & other project expenses	$ 10,105,046
Total Project not-to-exceed Budget	**$ 88,000,000**

Tracy Municipal Code Section 2.20.090(b) authorizes the City Manager to approve change orders up to the City Council's approved contingency amount of 10% of the contract price, which is $6,022,100 for this project.

Owner-Controlled Insurance Program (OCIP)

During the design process, it was recommended by the City's Risk Management team, that using an Owner-Controlled Insurance Program (OCIP) would be the best course of action for the Project.

According to Government Code Section 4420(b), a state or local governmental agency can opt for an owner-controlled or wrap-up insurance program when undertaking a construction or renovation project that costs over fifty million dollars ($50,000,000), provided the agency fulfills certain conditions and certifies that it has made the following determinations:

> (1) the Prospective bidder(s), including contractors and subcontractors, meet minimum occupational safety and health qualifications established to bid on the project;
> (2) The use of owner-controlled or wrap-up insurance will minimize the expenditure of public funds on the project in conjunction with the exercise of appropriate risk management;

(3) The program maintains completed operation coverage for a term for which the Insurance Commissioner has determined that coverage is reasonably commercially available, but in no event less than three years;
(4) Bid specifications clearly specify for all bidders the insurance coverage provided under the program and minimum safety requirements that must be met;
(5) The program does not prohibit a contractor or subcontractor from purchasing any additional insurance coverage that a contractor or subcontractor believes is necessary to protect from any liability arising out of the contract; and
(6) The program does not include surety insurance.

An OCIP (Owner Controlled Insurance Program) is a type of self-insurance policy where the City joins a risk pool of other public agencies (including various cities and counties in the greater northern California region) and assumes direct responsibility for purchasing insurance policies that cover the activities of the contractor and subcontractors on the Project. The policies will include commercial general liability, excess liability, workers' compensation, and builder's risk/property coverage insurance. The main advantage of an OCIP is that it reduces the administrative burden of negotiating and reviewing insurance policies with multiple subcontractors during the procurement process, which may be upwards of 20 or more subcontractors for this Project. It also provides the City with more control over the policies that cover the Project, which eliminates the risk of coverage gaps that can occur when a project is covered by a patchwork of insurance policies purchased by different contractors and subcontractors. The use of an OCIP can minimize the expenditure of public funds on the Project in conjunction with the exercise of appropriate risk management and safety program oversight.

The traditional approach of naming the City as an "additional insured" under the contractor or subcontractor's policy can be problematic for a project of this scale. In the event of a claim, the insurance carriers for the various contractors and subcontractors will invariably attempt to shift or spread the responsibility to other contractors on the project, in some instances leading to costly litigation. With an OCIP, the claims process is streamlined. All claims will be administered through a single program instead of multiple contractor/subcontractor's insurance policies. Overall, an OCIP is a practical and effective way to manage the insurance coverage of a construction project of this magnitude.

The proposed OCIP is offered through a Joint Powers Agreement with a consortium of other public agencies in an insurance risk-pool known as, Public Risk Innovation, Solutions, and Management (PRISM). This entity and the insurance risk pool is administered by Alliant Insurance Services as the OCIP Program Administrator and Safety Manager. PRISM, formerly known as the California State Association of Counties - Excess Insurance Authority (CSAC), administers the Joint Powers Authority for its member public agencies, a third-party insurance company known as Alliant, administers and underwrites the insurance policies issued for particular public projects.

To enable the City to join PRISM, adopt its own OCIP program, and utilize the program on City projects, by separate action, the City Council will consider approval of the Joint Powers Agreement and Memorandum of Understanding with PRISM.

For this Project, PRISM, by and through Alliant, has provided the insurance policy proposal in the amount of $1,796,052, further detailed in Attachment B hereto. Staff has confirmed that each of the criteria set forth in Government Code Section 4420(b) are met with regard to utilizing the City's OCIP on the Project, and staff recommends authorizing the City Manager to execute the Project-specific insurance policy proposal attached in Attachment B.

Pacific Gas & Electric (PG&E) Gas & Electric Extension Agreement

The City has coordinated with the electric utility provider (PG&E) for the project, developing a design for the extension of utilities to serve the Project. This work is required for the Project and will be performed by PG&E. As required by the California Public Utilities Commission (CPUC), special facilities (such as the extension of utilities for the Project) must be handled through a separate contract (see Attachment A). The total cost for this required work will not exceed $190,000 and it is accounted for within the not-to-exceed Project budget.

Staff is requesting that the City Council approve the execution of this contract as an action item within the report so that PG&E can begin to schedule this work in coordination with the general contractor.

Construction Schedule & Next Steps for the Project

Construction is anticipated to begin by July 1, 2024, or sooner, assuming no complications with the contract execution process. The contract allows for 730 calendar days to complete the required work which would require the Project to be completed by July 1, 2026, if started July 1, 2024.

Other upcoming project-related items of note include selection of public art and selection of a facility name.

The Project includes a public art component in which $602,210 (1% of construction bid) has been allocated for an artist to perform the work. Staff is working towards initiating a Request for Proposals for the Civic Art Projects within the Rec Center and at El Pescadero Park.

The planned approach for implementation of public art is as follows:

- Develop Request For Proposal (RFP) – In progress
- Review of draft RFP with staff, design consultant and construction management consultant
- Review and approval of RFP (Tracy Arts Commission)
- RFP Advertisement
- Establish Civic Art Subcommittee Project Team
- Deadline for receipt of proposals (60-90 days post RFP advertisement date)
- Public outreach (proposals will be on display for community to rank)
- Civic Art Subcommittee Project Team meeting(s) to review proposals and recommend finalists to Tracy Arts Commission
- Tracy Arts Commission Proposal (or finalists) Review and Recommendation to City Council
- City Council Review and Approval
- Approval of Professional Services Agreement(s) for Approved Artists by City Manager or City Council
- Implementation of public art to be coordinated with general contractor and complete in conjunction with the Project

Staff envisions the selection process taking a minimum of 6 months to complete. This would result in an artist(s) being procured sometime in the Fall 2024.

Also, the Project is required to go through Council's Policy D-2, Naming Public Buildings, Parks and Facilities. This process will need to be completed within the first year of construction in order to implement the Council-approved facility name into various elements of the project.

COORDINATION

The Project has an established Steering Committee, as well as an Executive Committee. The Steering Committee meets very regularly and consists of LPA, Gilbane and City staff from both Parks & Recreation and Utilities & Operations departments. The Executive Team meets quarterly and consists of LPA, Tracy Unified School District and City staff from the following departments: City Manager's Office, Finance, Parks & Recreation, Police, Development Services, and Utilities & Operations. There is also ongoing coordination with Tracy Interfaith Ministries and South County Fire Authority since both entities occupy space within El Pescadero Park.

CEQA DETERMINATION

Environmental review was previously completed for this project, including the final Initial Study/Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program, in accordance with California Environmental Quality Act, was approved and adopted on January 16, 2024, per Resolution 2024-005. Under CEQA guidelines Section 15378 the proposed actions herein are part of the whole project previously subject to CEQA review, and no further review is required at this time.

FISCAL IMPACT

The Multi-Generational Recreation Center (CIP 78178) is an approved capital improvement project with a not-exceed budget of $88,000,000. On December 5 ,2023 the City Council approved, by motion, the financing plan for the project as follows:

Funding Source	Budget	Expensed/ Committed	Balance
General Fund	7,729,704	2,500,000	5,229,704
Measure V (Original Commitment)	4,000,000	2,474,787	1,525,213
Community Benefit (Prologis)	4,000,000	-	4,000,000
State Grant	5,000,000	5,000,000	-
Lease Revenue Bonds	54,000,000	-	54,000,000
TDA Funds	2,000,000	-	2,000,000
Ellis Area Public Building Impact Fees	2,506,799	-	2,506,799
CORE Area Public Faculties Impact Fees	2,771,867	-	2,771,867
CORE Area Public Safety Police Impact Fees	367,268	-	367,268
Tracy Infrastructure Improvement Plan (TIMP) Public Facilities Fees	5,624,362	-	5,624,362
Totals	$ 88,000,000	$ 9,974,787	$ 78,025,213

The proposed Owner Controlled Insurance Program (OCIP) for this Project will cost approximately $1.8 million which is included in the current not-to-exceed project budget. This amount includes premiums for various insurance policies that will cover the Project. There will be an additional cost of $132,000 for the option of purchasing Builder's Risk/Property Coverage insurance. It is anticipated that the introduction of this program will have a cost-neutral impact on the overall budget for the Project. In fact, it may even result in some cost savings. With the OCIP approach, the contractor's bids do not include insurance costs.

STRATEGIC PLAN

This agenda item supports the City of Tracy's Quality of Life Strategic Priority, and specifically implements the following goals:

Goal 2: Facilitate the Completion of Measure V Amenities; Objective 2: Advance Measure V amenity planning; and Short-Term Action Item 2.a: Complete design and construction bid for the Multi-Generational Recreation Center.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council adopt a Resolution: (1) awarding a construction contract to Roebbelen Contracting, Inc. of El Dorado Hills, California for construction of the Multi-Generational Recreation Center Project, CIP 78178, for a contract amount of $60,221,000 and Ten-Percent Contingency amount of $6,022,100; (2) authorizing the City Manager to approve change orders on the contract with Roebbelen Contracting, Inc. up to the maximum contingency amount of $6,022,100, if needed, pursuant to Tracy Municipal Code Section 2.20.090(b); (3) approving the execution of a Gas and Electric Extension Agreement with Pacific Gas & Electric for the Project for a not-to-exceed amount of $190,000.00; and (4) authorize the City Manager, pursuant to Government Code Section 4420(b), to proceed with the proposal from Alliant for an Owner-Controlled Insurance Program to procure construction insurance for the Project for a not-to-exceed amount of $1,796,052.

Prepared by: Richard Joaquin, Parks Planning & Development Manager
Kim Dunniway, HR/Risk Analyst II

Reviewed by: Jolene Jauregui-Correll, Interim Director of Parks, Recreation & Community Services
Sara Cowell, Director of Finance
Kimberly Murdaugh, Interim Assistant City Manager
Jeffrey Crosswhite, Assistant City Attorney
Bijal Patel, City Attorney

Approved by: Midori Lichtwardt, City Manager

Attachments:

A – PG&E Gas and Electrical Extension Agreement

B – Project-Specific OCIP Proposal with Alliant

ATTACHMENT A

Customer Payment Coupon

References	
Notification #	126311433
Contract #	50091147 V1
E15-PM #	35486432
E16-PM #	35486432
ERR-PM #	35486432
Customer #	4226414

December 20, 2023

City of Tracy
333 Civic Center Plaza
TRACY, CA 95376

Customer Payment Summary

250 KAVANAUGH AVE, TRACY

Please pay the Total Due based upon the payment option(s) you selected on page two of the enclosed Gas and Electric Extension Agreement.

Payment Options	Subtotal	Total Due
10-Year Refundable Advance Option Gas and Electric	$320,030.19	**$317,030.19**
Non-Refundable 50 percent Discount Option for Gas and Electric	$187,874.85	**$184,874.85**
10-Year Refundable Advance Option for Gas and Non-Refundable 50 percent Discount Option for Electric	$187,874.85	**$184,874.85**
Non-Refundable 50 percent Discount Option for Gas and 10-Year Refundable Advance Option for Electric	$320,030.19	**$317,030.19**

Subtotals for each payment option above include the following non-refundable values:	
Elec Reloc & Rearrangement Non-Refundable Payment	$56,309.91

The Total Due for each payment option above includes:	
Advance Credit	($3,000.00)

Important Payment Information

To complete your contract ONLINE

- Follow the instructions provided with your electronic contract
- Submit payment at **https://www.pge.com/contractpayments**

To complete your contract BY MAIL

- Please make check payable to: **PG&E** or **Pacific Gas and Electric**
- Complete, sign and return the enclosed agreement(s), the SACAC form and the customer payment coupon with your payment
- **Remit payment and SACAC form to**:
  PG&E CFM/PPC Department
  PO BOX 997340
  Sacramento, CA 95899-7340

IMPORTANT MESSAGE

Please review the enclosed information and total due. This document needs to be returned with the enclosed agreements.

If you complete your contract ONLINE, a copy will be saved to your Customer Connections Online (CCO) account at **pge.com/cco.**

To learn more about PG&E's gas and electric safety initiatives and resources please visit **pge.com/safety.**

Have Questions?
Please Call 1-800-422-0436

126311433

Gas and Electric Extension Agreement*

For Internal Use	
Notification #	126311433
Contract #	50091147 V1
E-PM #	35486432
G-PM #	
E-Prior MLX/PM#	
G-Prior MLX/PM#	
Customer #	4226414

December 20, 2023

City of Tracy
333 Civic Center Plaza
TRACY, CA, 95376

Re: 250 KAVANAUGH AVE, TRACY

Dear Richard Joaquin

We are writing to let you know Pacific Gas and Electric Company (PG&E) will extend its facilities to provide the requested gas and electric service to the project address listed above. PG&E's costs have been developed based on the choices and information provided in your application and may change if you make changes. This letter, including PG&E's tariffs, which are incorporated by reference below, will serve as our contract. As required by the California Public Utilities Commission (CPUC), special facilities will be handled in a separate contract. Per Decision 22-09-026, Residential Customers submitting an application for new gas service on or after July 1, 2023, do not qualify for Allowances, Refunds or Discount Option. Applicants who submit a new application for gas Distribution Main Extension(s) on or after July 1, 2023, must pay PG&E its total estimated installed cost upon contract execution, in advance of PG&E commencing its work. Upon completion of the work and determination of actual costs, PG&E will provide Applicant with a final invoice or refund to account for a true-up to actual costs. An Applicant's failure to pay a final invoice in a timely manner is a violation of PG&E's Gas Rules 15/16 and may result in discontinuance of service. Non-Residential Customers submitting an application for new gas service on or after July 1, 2023, may qualify for Allowances, Refunds or Discount Option if approved by the CPUC. Please complete the following four steps to execute this contract.

1 Review the following work responsibilities and cost information.

Work To Be Done By	GAS MAIN		GAS SERVICE		ELECTRIC DISTRIBUTION			ELECTRIC SERVICE		
	Trench	Pipe	Trench	Pipe	Trench	Substr.	Facilities	Trench	Substr.	Facilities
PG&E										X
Customer						X		X	X	

		GAS		ELECTRIC
Total non-refundable project costs		**$0.00**		**$67,939.32**
Refundable extension costs		**$0.00**		**$264,310.68**
Allowances (credit)	-	$0.00	-	$0.00
Net refundable amount	=	**$0.00**	=	**$264,310.68**
10 YEAR REFUNDABLE OPTION				
Net refundable amount		**$0.00**		**$264,310.68**
Credit for value of design and/or facilities provided by applicant	-	$0.00	-	$12,219.82
Total non-refundable project costs	+	**$0.00**	+	**$67,939.32**
Total (if you select this option)	=	**$0.00**	=	**$320,030.19**
NON-REFUNDABLE 50% DISCOUNT OPTION				
Net refundable amount		**$0.00**		**$264,310.68**
Discount: 50% of Net refundable amount	-	$0.00	-	$132,155.34
Credit for value of design and/or facilities provided by applicant	-	$0.00	-	$12,219.82
Total non-refundable project costs	+	**$0.00**	+	**$67,939.32**
Total (if you select this option)	=	**$0.00**	=	**$187,874.84**
Potential refund per residential lot/unit		**$0.00**		**$0.00**
Potential reimbursement per service completion				
Pressurized or energized system		$0.00		$0.00
Not pressurized or energized system		$0.00		$0.00
Reimbursement for other work performed		**$0.00**		**$0.00**

All amounts include the Income Tax Component of Contribution (ITCC) PG&E is required to charge customers, where applicable.

DEFINITIONS AND EXPLANATION OF TERMS

(For more detail see rules 15 and 16):

Total non-refundable project costs include costs for work such as electric trench and excavation, conduits, inspections, streetlights, conversion from overhead to underground and contract processing.

Refundable extension costs include costs for facilities such as electric conductor, transformers and poles; gas pipe, gas share of distribution trench and regulators; and meters.

Allowances are a credit against refundable extension costs. They are based upon the number of residential units expected to be connected within the first six months and the expected annual non-residential net (distribution) revenue from your project.

Allowances granted under either option are subject to **deficiency billing** if the number of residential units connected or the annual non-residential net revenue falls below the forecast used to calculate the allowances.

Net refundable amount is the portion of overall costs eligible for refund to you based upon additional residential meters being set or upon increases in non-residential annual net (distribution) revenue. A cost-of-ownership charge is assessed against the Net refundable amount (except for individual residential applicants) per Rule 15.

Potential refund per residential lot/unit is for those lots/units for which you did not already receive an allowance (i.e., units not expected to be connected in the first six months). Any refunds may be decreased or eliminated by cost-of-ownership charges assessed under the provisions of Rule 15.

Potential reimbursement per service completion is the amount to which a customer may be entitled for performing certain service connection work PG&E would otherwise perform when installing service extensions and are not to be confused with refunds.

Reimbursement for other work performed is the amount to which a customer may be entitled for performing certain work (other than service completions) that normally is PG&E's responsibility.

126311433

* Automated document, Preliminary Statement, Part A

Form 79-1169
Advice 4768-G/6973-E
June 2023

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Gas and Electric Extension Agreement*

2 Select one of the following payment options.

	Gas		Electric		Advance		Total Due
☐ **10-Year Refundable Option for Gas and Electric**	$0.00	+	$320,030.19	-	SEE PMT CPN	=	$320,030.19
☐ **Non-Refundable 50 Percent Discount Option for Gas and Electric**	$0.00	+	$187,874.85	-	SEE PMT CPN	=	$187,874.85
☐ **10-Year Refundable Option for Gas and Non-Refundable 50 Percent Discount Option for Electric**	$0.00	+	$187,874.85	-	SEE PMT CPN	=	$187,874.85
☐ **Non-Refundable 50 Percent Discount Option for Gas and 10-Year Refundable Option for Electric**	$0.00	+	$320,030.19	-	SEE PMT CPN	=	$320,030.19

3 Review these important terms and conditions.

This Gas and Electric Extension Agreement is controlled by, and incorporates by reference, PG&E's tariffs, including Gas and Electric rules 2, 15, and 16; the Distribution and Service Extension Agreement-Provisions (Form 62-0982) and the General Terms & Conditions for Gas and Electric Extension & Service Construction by Applicant (Form 79-716), all as approved and authorized by the CPUC. This agreement at all times shall be subject to such modifications as the CPUC may direct from time to time in the exercise of its jurisdiction.

You can view PG&E's tariffs online at pge.com/tariffs or contact the PG&E representative listed below. Additional details underlying the amounts shown in this agreement, as well as the calculation of allowances, refunds or deficiency bills can also be provided by your local PG&E representative.

4 After completing steps 1, 2 and 3 and having checked one, but only one, of the four payment options above, please complete and return the following items to PG&E.

- Sign and return this contract as indicated below.
- Submit the Payment Coupon with Total Due based on your option selected.
- Sign and return the enclosed Statement of Applicant's Contract Anticipated Costs (SACAC) [Form 79-1003] (explanation in box to the right).

Please provide your payment and required forms within 90 days from December 20, 2023. PG&E is not bound by the costs set forth above if payment and the signed forms are not received by PG&E within 90 days.

If you have any questions, please contact Daniel Huffman at **877-743-7782** or by email at **DUHH@PGE.COM.**

ADDITIONAL INFORMATION

What is the SACAC form

Under PG&E's rules 15 and 16 you have a choice:you can perform the work yourself, hire a qualified contractor to perform the work or hire PG&E to do the work. We are required by the CPUC to provide you with PG&E's costs.

This form identifies our cost for the refundable service that is PG&E's responsibility to install. PG&E's costs were developed based on your choices within the application and may change if you change that choice.

How do I fill out the SACAC?

If you want to do this work yourself or have a qualified contractor do this work, please enter your estimated costs in the section of the SACAC form entitled "Applicant Costs" or check the box in the section entitled "Applicant's Election Not To Provide Costs," sign and return to PG&E. PG&E will send you a revised agreement by return mail only if you choose to provide your estimated costs.

If you want PG&E to do this work, please check the section "Applicant's Election Not to Provide Costs," sign and return the SACAC form along with a check for the Total Due based on the option you selected above.

You must return the completed SACAC form to PG&E regardless of who you choose to do the work.

Please follow payment instructions found on your Payment Coupon.

Pacific Gas and Electric Company

This contract has been reviewed and approved by:

Jennifer Betancourt

Service Planning Supervisor

Customer

Agreed and accepted by:

City of Tracy, A GOVERNMENT AGENCY

Authorized Signatory Richard Joaquin

Title Signatory

Signature

Date

126311433

* Automated document, Preliminary Statement, Part A

Form 79-1169
Advice 4768-G/6973-E
June 2023

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STATEMENT OF APPLICANT'S CONTRACT ANTICIPATED COSTS.*

December 20, 2023

Project Name: Tracy Multi-Generational Recreation Ctr

Project Location: 250 KAVANAUGH AVE, TRACY

Notification Number: 126311433

PM Number(s): **(Gas)** **(Electric)** 35486432

APPLICANT COSTS

The following statement must only include the contracted anticipated installed costs of facilities installed by the Applicant that are refundable and that are PG&E's responsibility under its tariffs.

The costs provided by the Applicant must be taken from the Applicant's contract with its contractor. If the Applicant will be performing the work itself, the Applicant must also complete and sign this form.

The Applicant's statement of costs will be compared with PG&E's estimated installed costs of the same facilities, the lower of which will be used to determine the amount subject to allowances and refunds in accordance with the provisions of PG&E's Gas and Electric Rules 15 and 16.

If the Applicant chooses not to provide its costs, it must complete the last section of this form. Until the Applicant either provides the refundable cost from its contract with its contractor (or its own cost, if applicable), or returns this form indicating that it will not do so, PG&E will not proceed with any work on the Applicant's project.

GAS	ELECTRIC
Residential Service Facilities:	**Residential Service Facilities:**
Applicant: $ _____	**Applicant: $** _____
PG&E: $0.00	**PG&E:** $0.00
Number of gas service: 0 **Stubs:** 0	**Number of Electric service:** 0

Applicant's statement of costs include: overhead or underground service conductors, poles, service transformers, connection fittings, service pipe, valves, service connections, and other PG&E-owned service equipment, as detailed in Gas and Electric Rule 16.

Applicant's statement of costs DOES NOT include: inspection fees, nonresidential service costs, regulators, or PG&E-owned metering equipment.

GAS

Gas Distribution Facilities and Non-Residential Service Services:

Applicant: $ _____

PG&E: **$0.00**

ELECTRIC

Electric Distribution Facilities and Non-Residential Service Services:

Applicant: $ _____

PG&E: **$76,093.53**

GAS DISTRIBUTION TRENCH

Applicant: $ _____

PG&E: **$0.00**

Applicant's statement of costs include: cables, switches, transformers, distribution main, valves, regulators, nonresidential service costs, and other distribution facilities required to complete the distribution line extension, as detailed in Gas and Electric Rule 15 as PG&E's responsibility.

Applicant's statement of costs DOES NOT include: inspection fees, tie-in of system by PG&E, distribution substructures, electric trench, conduits, feeder conduits, or protective structures, as detailed in Gas and Electric Rule 15.

I declare under penalty of perjury that the foregoing is true and correct.

☐ **APPLICANT'S ELECTION NOT TO PROVIDE COSTS:** (if this option selected, box must be checked)

I choose not to provide to the utility my refundable costs for this project as taken from my contract with my contractor, or as performed by myself, and acknowledge that PG&E will use its estimate of the refundable costs for this project in the contract between it and me.

Executed on _____ at _____

(Date) (City)

By: Richard Joaquin

Print Applicant Name: **City of Tracy, A GOVERNMENT AGENCY**

Signed: _____

Title: Signatory

Pacific Gas and Electric Company

Detailed Cost Sheet - Electric Distribution and Service Extension Costs

December 20, 2023

References	
Notification #	126311433
Contract #	50091147 V1
E15-PM #	35486432
E16-PM #	35486432
ERR-PM #	35486432
Customer #	4226414

Applicant: **Richard Joaquin**

Project Location/Name **250 KAVANAUGH AVE, TRACY**

Cost Breakdown

Total number of residential lots/units for this project: 0

Total number of non-residential lots/units for this project: 1

Total number of combined meters: 1

Cost of Services:

Engineering & Administrative Costs					$0.00
Including Applicant Design Value of				$0.00	
Service Tie-In Cost (Energized) by PG&E			(+)		$0.00
Service Tie-in Cost by Applicant			(+)		$0.00
Electric Metering			(+)		$0.00
Others (N/A)			(+)		$0.00
Inspection Fees			(+)		$0.00
Service Cost - PG&E installed	# Services	0	(+)		$0.00
Service Cost - Applicant installed	# Services	0	(+)		$0.00
Total Estimated Cost of Service Subject to Allowance			(=)		$0.00
Including Net Joint Pole Credit Value of				$0.00	

Cost of Service Within Allowance:

less Total Residential Service Allowance (not to exceed Total Estimated Cost of Service Subject to Allowance)					
$0.00	X	0	=	(-)	$0.00
Excess Service Cost				(=)	$0.00
Estimated Service Cost Within Allowance (Total less Excess)				(=)	$0.00
Average Cost per Lot or Unit Within Allowance					
$0.00	/	0	=		$0.00

Excess Service Allowance Applied to Distribution Line Extension Refundable

Amount per Lot or Unit:

$0.00	-	$0.00	=	$0.00 **
Allowance		Ave. Cost / Unit		

Allowances

Residential:

$0.00 (Allowance) X 0 (Lots / Units) = $0.00

plus ITCC @ 24% Residential Allowances (+) $0.00

SUB TOTAL Residential Allowances (=) $0.00

Non-Residential: $0.00 (Net Annual Revenue) / 0.1476 (Cost-of-Service-Factor) = $0.00

plus ITCC @ 24% Non-Residential Allowances (+) $0.00

SUB TOTAL Non-Residential Allowances (=) $0.00

less Residential Service Allowance:

(0 (Lots/Units) X $0.00 (Ave. Cost / Unit)) + 24% (ITCC) = $0.00

Total Distribution Line Extension Allowance (=) $0.00

Amount Subject to Refund

Engineering & Administrative Costs		$31,441.58	
Including Applicant Design Value of	$0.00		
Tie-In of Distribution by PG&E	(+)	$89,842.54	
Electric Metering (Non-Residential Projects)	(+)	$3,556.31	
Other Taxable charges (N/A)	(+)	$0.00	
PG&E installed - Cost of Distribution Line and Non-Res Svcs.	(+)	$76,093.53	
Applicant installed - Cost of Distribution Line and Non-Res Svcs.	(+)	$0.00	
Value of Distribution Substructures	(+)	$12,219.82	
Inspection Fees	(+)	$0.00	
SUB TOTAL	(=)	$213,153.78	
Including Net Joint Pole Credit Value of	$0.00		
plus ITCC @ 24%	(+)	$51,156.90	
Total Refundable Amount	(+)	$264,310.69	
Less Total Allowances (not to exceed Total Refundable Amount)	(-)	$0.00	
Balance: Net Refundable Amount		$264,310.68	

10 Year Refundable Advance Option

Balance: Net Refundable Amount	$264,310.68	
Less Credit for Value of Applicant Design Work	$0.00	
Less Cost of Dist. Line Ext. and Non-Res Svcs. installed by Applicant	$0.00	
Less Distribution Substructures by Applicant	$12,219.82	
Net 10 Year Refundable Advance Option Amount		$252,090.87

Non-Refundable Discount Option

Balance: Net Refundable Amount		$264,310.68	
less Discount $264,310.68 (Balance) X 0.50 (Discount Rate) =	(-)	$132,155.34	
Less Credit for Value of Applicant Design Work		$0.00	
Less Cost of Dist. Line Ext. and Non-Res Svcs. installed by Applicant		$0.00	
Less Distribution Substructures by Applicant		$12,219.82	
Net Non-Refundable Discount Option Amount			$119,935.52

Non-Refundable Payments

Rule 16 Non-Refundable Payments

Excess Service Costs		$0.00	
Service Costs Beyond Preferred Service Location	(+)	$0.00	
Service Riser	(+)	$386.15	
Value of Rule 16 Land Rights Costs	(+)	$0.00	
Value of Service Trench, Conduits & Substructures in the Franchise Area or on 3rd Party Property	(+)	$29,656.19	
Inspection Fees	(+)	$2,058.59	
Rule 16 Trench Permits Obtained by PG&E	(+)	$750.00	
Other Taxable Charges: N/A	(+)	$0.00	
Cost of Additional Rule 16 Applicant Design Plan Checks	(+)	$0.00	
SUB TOTAL	(=)	$32,850.93	
Plus ITCC @ 24%	(+)	$7,884.22	
Other Non-taxable Charges:	(+)	$0.00	
Residential Per Meter Charge = 0 unit(s)	(+)	$0.00	
Non-Residential Per Meter Charge 1 unit(s)	(+)	$125.00	
Inspection Fees (not subject to ITCC)	(+)	$0.00	
Plus Service Trench, Conduits, & Substructures installed by PG&E on Private Property	(+)	$0.00	
SUB TOTAL	(=)	$40,860.15	
Less Excess Service Facilities Installed by Applicant	(-)	$0.00	
Less Service Costs Beyond Preferred Location by Applicant	(-)	$0.00	
Less Service Trench in the Franchise Area or on & 3rd Party Property installed by Applicant	(-)	$29,656.19	
Less Rule 16 Applicant Design Work Associated with Excess	(-)	$0.00	
Total Rule 16 Non-Refundable Amount		(=)	$11,203.96

Rule 15 Non-Refundable Payments

Inspection Fees		$343.11	
Re-estimating/Composite Preparation	(+)	$0.00	
Cost of Additional Applicant Design Plan Checks	(+)	$0.00	
Value of Distribution Conduits	(+)	$0.00	
Distribution Risers Installed by PG&E	(+)	$0.00	
Value of Distribution Trench	(+)	$0.00	
PG&E Land Rights Costs	(+)	$0.00	
Rule 15 Trench Permits Obtained by PG&E	(+)	$0.00	
Other	(+)	$0.00	
SUB TOTAL	(=)	$343.11	
Plus ITCC @ 24%	(+)	$82.35	
Other Non-taxable Charges	(+)	$0.00	
SUB TOTAL	(=)	$425.46	
Less Distribution Conduits Installed by Applicant	(-)	$0.00	
Less Distribution Trench Provided by Applicant	(-)	$0.00	
Total Non-Refundable Electric Rule 15 Amount		(=)	$425.46

Relocation / Rearrangement of PG&E Facilities

Value of Relocation/Rearrangement Facilities		$3,280.95	
Value of Relocation/Rearrangement Conduits & Substructures	(+)	$3,945.41	
Value of Relocation/Rearrangement Trench & Excavation	(+)	$77,167.30	
Engineering & Administrative Costs	(+)	$25,230.19	
Value of Relocation Applicant Design Work	(+)	$0.00	
Re-engineering/Comp Prep/Add'l AD Plan Checks	(+)	$0.00	
Tie-in/Meter of Relocation/Rearrangement by PG&E	(+)	$514.65	
Relocation/Rearrangement Trench Permits Obtained by PG&E	(+)	$0.00	
Relocation/Rearrangement Land Rights	(+)	$0.00	
Relocation/Rearrangement Inspection Fees	(+)	$686.19	
SUB TOTAL	(=)	$110,824.69	
Including Net Joint Pole Credit Value of	$0.00		
Plus ITCC @ 24%	(+)	$26,597.93	
Plus Relocation/Rearrangement - Non Taxable	(+)	$0.00	
SUB TOTAL	(=)	$137,422.62	
Less Relocation/Rearrangement Facilities Installed by Applicant	(-)	$0.00	
D.0405055 Line Extension Costs - Residential		$0.00	
D.0405055 Line Extension Costs - Non-Residential		$0.00	
Less Conduits & Substructures Installed by Applicant	(-)	$3,945.41	
Less Trench & Excavation Provided by Applicant	(-)	$77,167.30	
Less Value of Relocation Applicant Design Work	(-)	$0.00	
Less Relocation/Rearrangement Salvage	(-)	$0.00	
Total Relocation / Rearrangement of PG&E Facilities Amount		(=)	$56,309.91

(1) Total Service Allowance not to exceed the Cost of Service

(2) 10 Year Refundable and Discount Option credit amounts will be paid upon acceptance of facilities. Credit amounts are subject to future deficiency billing in accordance with the tariff.

(3) 10 Year Refundable and Discount Option credit amounts do not offset Other Non-Refundable or Relocation Fees. See Reimbursement Summary for a total of Reimbursements and Credits to be paid upon acceptance of facilities.

(4) Inspection Fees (Only Refundable if Applicant's Actual Cost is Used. Applicant's Actual Cost + Inspection Cannot Exceed PG&E's Estimate)

(5) The lower of PG&E's estimated costs or the Applicant's Contract Anticipated Costs (as documented on Form 79-1003 "Statement of Contract Anticipated Costs") will be used to establish the cost of Service and Distribution Line Extension subject to Allowance

Note: This supplemental detailed cost sheet is **for reference only** and is not intended for use in place of the actual contract for the project listed.

PRISM

Alliant

PUBLIC RISK INNOVATION, SOLUTIONS, AND MANAGEMENT (PRISM)
MR OCIP TOWER II PROPOSAL

NAMED INSURED	Public Risk Innovation, Solutions, and Management (PRISM) City of Tracy
ADDITIONAL NAMED INSUREDS	All enrolled Contractors
PROJECT NAME	Multi-Generational Recreation Center
CONSTRUCTION VALUE	$60,221,000
MAILING ADDRESS	333 Civic Center Plaza Tracy, CA 95376
BROKER	**ALLIANT INSURANCE SERVICES, INC.** Mike Davidson, First Vice President Shawn Kraatz, Senior Vice President
COVERAGE SUMMARY	**LINE OF COVERAGE AND LIMITS** **Workers' Compensation** Statutory Limits $1,000,000 Employers Liability Limit, Each Accident $1,000,000 Disease – Each Employee $1,000,000 Disease – Policy Limit
	Commercial General Liability $8,000,000 General Aggregate $4,000,000 Products & Completed Operations Aggregate $2,000,000 Personal & Advertising Injury $2,000,000 Each Occurrence $50,000 Fire Damage (Any One Fire) $10,000 Medical Expense (Any One Person)
	Excess General Liability $100,000,000 Each Occurrence $100,000,000 Products – Completed Operations $100,000,000 General Aggregate
	Pollution Liability $10,000,000 Each Occurrence $20,000,000 Aggregate
COVERAGE PROVIDED	Workers' Compensation Coverage

PUBLIC RISK INNOVATION, SOLUTIONS, AND MANAGEMENT (PRISM)
MR OCIP TOWER II PROPOSAL

COMPANIES AFFORDING COVERAGE	Old Republic Insurance Company
A.M. BEST RATING	A, XI (Admitted)
LIMITS	Statutory Workers' Compensation Limit $1,000,000 Employers Liability Limit, Each Accident $1,000,000 Disease – Each Employee $1,000,000 Disease – Policy Limit
ENDORSEMENTS & EXCLUSIONS **(**Including but not limited to**)**	• Alternate Employer Endorsement (WC 00 03 01 A) • Terrorism Risk Insurance Program (WC 00 04 22 B) • Assignment Consent Endorsement (WC 99 03 11) • • Waiver of Subrogation (WC 99 03 13) • Cancellation Provision – 60 (sixty) days written notice, except 10 (ten) days written notice as • respect nonpayment of premium (WC 99 03 14) • Additional Definitions Endorsement (WC 99 03 18) • Voluntary Compensation and Employers Liability Coverage Endorsement – California: (WC 04 03 • 05) • Group of Employees - All employees and officers not subject to the Workers' Compensation Act • State of Operations - Any state shown in item 3A or 3C of the Information Page. • Benefits - State of Hire • Program Agreement (WC 95 06 00 A) • Schedule A Program Agreement (WC 95 06 02) • Schedule B Program Agreement (WC 95 06 03) • FELA (if any basis) (WC 00 01 04 A) • Maritime Coverage Endorsement (if any basis) (WC 00 02 01 B) • Longshore and Harbor Workers Compensation Act Coverage Endorsement (if any basis) (WC 04 • 01 01) • Old Republic General Insurance Corporation Workers Compensation and Employer Liability • $250,000 Loss Reimbursement Plan Endorsement with Optional Aggregate

PUBLIC RISK INNOVATION, SOLUTIONS, AND MANAGEMENT (PRISM)
MR OCIP TOWER II PROPOSAL

COVERAGE PROVIDED	Commercial General Liability
COMPANIES AFFORDING COVERAGE	Old Republic Insurance Company
A.M. BEST RATING	A, XI (Admitted)
COVERAGE FORM	Occurrence Form – Defense Outside Policy Limits Project Specific Policy Owner Controlled Insurance Program
LIMITS	$8,000,000 General Aggregate $4,000,000 Products & Completed Operations Aggregate $2,000,000 Personal & Advertising Injury $2,000,000 Each Occurrence $ 50,000 Fire Damage (Any one fire) $ 10,000 Medical Expenses (Any one person)
ENDORSEMENTS & EXCLUSIONS **(**Including but not limited to**)**	• Composite Rating Plan Premium Endorsement (CG EN GN 0026) • Electronic Data Liability - $500,000 Sub Limit (CG 0437) • Limitation of Coverage to Designated Premises or Project (CG 2144) • Waiver of Transfer of Rights of Recovery against Others where required by an “Insured Contract” • and as evidenced by Certificate of Insurance on file with the Company (CG 2404) • Common Policy Conditions (IL 0017) • Knowledge and Notice of Occurrence (CG EN GN 0024) • Products/Completed Operations Amendment of Limits (CG EN GN 0042) • Products/Completed Operations - 10 years or Statute of Repose, whichever is shorter • (CG EN GN 0043) • Named Insured Endorsement (CG EN GN 0048) • Additional Definitions Endorsement (CG EN GN 0050) • Assignment Consent Endorsement (CG EN GN 0051) • Insurance Company Waiver Endorsement (CG EN GN 0052) • Undisclosed Exposures Endorsement (CG EN GN 0058) • Cancellation Provision: 60 days for non-compliance with safety/loss recommendations; 10 days • written notice as respect nonpayment of premium (CG EN GN 0060) • Additional Insured – Owners, Lessees or Contractors Form B, where required by “Insured • Contract” or as evidenced by Certificate of Insurance on file with the company (CG 2010) • Additional Insured – Owners, Lessees, or Contractors – Completed Operations (CG 2037) • Limited Coverage – Repair Work - 24 months (CG EN GN 7578) • Maximum Deductible Per Occurrence (CG EN GN 7579)

PUBLIC RISK INNOVATION, SOLUTIONS, AND MANAGEMENT (PRISM)
MR OCIP TOWER II PROPOSAL

ENDORSEMENTS & EXCLUSIONS CONTINUED	• Amendment of Coverage - Damage to Your Product (CG EN GN 7580) • Amendment of Exclusion to "Your Work" (CG EN GN 0020) • Amendment of Contractual Exclusion – Railroads & Municipalities (CG EN GN 0021) • Amendment of Personal Injury Coverage (CG EN GN 0030) • Fellow Employee Wrap Up Exclusion Deleted – Supervisory Personnel (CG EN GN 0038) • Non owned watercraft (CG EN GN 0039) • Extended Expected and Intended to Property Damage (CG EN GN 0054) • Incidental Medical Malpractice (CG EN GN 0056) • Amendment of Bodily Injury Definition (CG EN GN 0057) • Damage to Property Exclusion Modified (CG EN GN 0077) • Deductible Endorsement (CG EN GN 0088) • Additional Insured - State or Political Subdivisions - Permits (CG 2012) • Additional Insured - Lessor of Leased Equipment (CG 2028) Exclusion - Unmanned Aircraft (CG 2109) • Abuse or Molestation Exclusion (CG 2146) • Employment-Related Practices Exclusion (CG 2147) • Fungi or Bacteria Exclusion (CG 2167) • Exclusion – Exterior Insulation & Finish systems (EIFS) (CG 2186) • Silica or Silica-Related Dust Exclusion (CG 2196) • Exclusion - Contractors – Professional Liability (CG 2279) • Nuclear Energy Liability Exclusion (IL 0021) • Total Asbestos Exclusion (CG EN GN 0019) • Total Lead Exclusion (CG EN GN 0025) • Anti-Stacking (CG EN GN 0037) • Amendment of Insurance Agreement Prior Damage or Injury (CG EN GN 0083) • Exclusion – Construction Management E & O (CG 2234) • Total Pollution Exclusion with Building Heating, Cooling and Dehumidifying Equipment Exception and a Hostile Fire Exception (CG 2165)

PUBLIC RISK INNOVATION, SOLUTIONS, AND MANAGEMENT (PRISM)
MR OCIP TOWER II PROPOSAL

COVERAGE PROVIDED	Excess General Liability - $100,000,000 Program
COMPANIES AFFORDING COVERAGE	Starr Surplus Lines Insurance Company Everest Indemnity / Crum & Forster quota share Endurance American Specialty / Westfield quota share Liberty Mutual / Swiss RE quota share
A.M. BEST RATING	A, XV (Non-Admitted) A; VIII (Non-Admitted) / A, XIII (Non-Admitted) A+ XV (Non-Admitted) / A; XV (Non-Admitted) A, XV (Admitted); A+ / XV (Non-Admitted)
COVERAGE FORM	Occurrence Form – Defense Outside Policy Limits Project Specific Policy Owner Controlled Insurance Program
LIMITS	$100,000,000 Each Occurrence $100,000,000 Products & Completed Operations $100,000,000 General Aggregate
UNDERLYING COVERAGES	General Liability Workers' Compensation – Employers Liability
ENDORSEMENTS & EXCLUSIONS **(**Including but not limited to**)**	• Designated Projects Endorsement • Contractors Limitation Endorsement • State Amendatory Endorsement • Employment Practices Liability • ERISA • EIFS Exclusion • Nuclear Exclusion • Securities & Financial Interests • Professional Liability Exclusion • Pollution Liability (Except Hostile Fire) • Continuous & Progressive Loss Exclusion • Fungus Exclusion

PUBLIC RISK INNOVATION, SOLUTIONS, AND MANAGEMENT (PRISM)
MR OCIP TOWER II PROPOSAL

COVERAGE PROVIDED	Pollution Liability Coverage
COMPANIES AFFORDING COVERAGE	Ironshore Specialty Insurance Company
A.M. BEST RATING	A, XV (Non-Admitted)
POLICY/COVERAGE TERM	Project duration, subject to 60 month maximum 120 Months Extended Products Completed Operations
COVERAGE FORM	Occurrence Form Products/Completed Operations Extension – 10 Years
LIMITS	$10,000,000 Per Occurrence $20,000,000 Aggregate
SELF-INSURED RETENTION	$ 50,000 Per Claim Including Expense
RATE	$0.05 per $100 of Construction Value, including surplus lines taxes and fees
ENDORSEMENTS & EXCLUSIONS **(**Including but not limited to**)**	• SC-7 (11/19) Service of Suit Clause - California • ISIC CN001 CA (Ed. 01 20) Cancellation Non Renewal Endorsement - California • IE.PN.ALL.002 (10/19) Notice of Claim • IE.END.ALL.002 (04/09) Terrorism Exclusion • IE.END.ALL.003 (04/09) Cap on Certified Acts of Terrorism and Exclusion of Other Acts of Terrorism • ADM-OFAC-0419 Sanction Limitation and Exclusion Clause • IE.END.CELL.001 (0618) Completed Operations Extension • Option 1: Ten (10) years • IE.END.CELL.003 (0618) Owner Controlled Insurance Program • Manuscript: Specified Project and Policy Period Amendatory Endorsement • Manuscript: Calculation of Premium Endorsement

PUBLIC RISK INNOVATION, SOLUTIONS, AND MANAGEMENT (PRISM)
MR OCIP TOWER II PROPOSAL

PROGRAM DEDUCTIBLE STRUCTURE	
POLICY/COVERAGE TERMS	Project duration, subject to 60 month maximum 120 Months Products Completed Operations
COVERAGE FORM	Workers' Compensation and General Liability
DEDUCTIBLES	**Workers' Compensation** $ 250,000 Including Expense **General Liability** $ 250,000 Including Expense **Clash Deductible** $ 375,000 Including Expense
CLAIMS HANDLING CHARGES	1.08 Loss Conversion Factor (included in Aggregate Rate)
RATING BASIS	Construction Value - $60,221,000
PRIMARY PROGRAM RATES	$17.45 Per $1,000 of Construction Value (includes Loss Agg)

PREMIUM SUMMARY INFORMATION		
COVERAGE	**CARRIER/DESCRIPTION**	**PREMIUM**
General Liability/Workers' Compensation Primary Layer	Old Republic Insurance Company	$523,923 Premium $ 40,000 Est. WC Taxes/Fees
Loss Aggregate	GL & WC Aggregate Deductible	$526,934
Excess Liability	Starr Surplus Lines Insurance Company Everest Indemnity / Crum & Forster quota share Endurance American Specialty / Westfield quota share Liberty Mutual / Swiss RE quota share	$375,347, including Surplus Lines Taxes and fees
Pollution Liability	Ironshore	$29,229 including Surplus Lines Taxes/Fees
Administration	PRISM and Alliant Administration Fees	$168,619
Total		$1,664,052

PUBLIC RISK INNOVATION, SOLUTIONS, AND MANAGEMENT (PRISM)
MR OCIP TOWER II PROPOSAL

This proposal of insurance is provided as a matter of convenience and information only. All information included in this proposal, including but not limited to personal and real property values, locations, operations, products, data, automobile schedules, financial data and loss experience, is based on facts and representations supplied to Alliant Insurance Services, Inc. by you. This proposal does not reflect any independent study or investigation by Alliant Insurance Services, Inc. or its agents and employees.

Please be advised that this proposal is also expressly conditioned on there being no material change in the risk between the date of this proposal and the inception date of the proposed policy (including the occurrence of any claim or notice of circumstances that may give rise to a claim under any policy which the policy being proposed is a renewal or replacement). In the event of such change of risk, the insurer may, at its sole discretion, modify, or withdraw this proposal, whether or not this offer has already been accepted.

This proposal is not confirmation of insurance and does not add to, extend, amend, change, or alter any coverage in any actual policy of insurance you may have. All existing policy terms, conditions, exclusions, and limitations apply. For specific information regarding your insurance coverage, please refer to the policy itself. Alliant Insurance Services, Inc. will not be liable for any claims arising from or related to information included in or omitted from this proposal of insurance.

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at www.alliant.com. For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at: Alliant Insurance Services, Inc., Attention: General Counsel, 701 B Street, 6th Floor, San Diego, CA 92101.

Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations. Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at www.ambest.com. For additional information regarding insurer financial strength ratings visit Standard and Poor's website at www.standardandpoors.com.

Our goal is to procure insurance for you with underwriters possessing the financial strength to perform. Alliant does not, however, guarantee the solvency of any underwriters with which insurance or reinsurance is placed and maintains no responsibility for any loss or damage arising from the financial failure or insolvency of any insurer. We encourage you to review the publicly available information collected to enable you to make an informed decision to accept or reject a particular underwriter. To learn more about companies doing business in your state, visit the Department of Insurance website for that state.

APPROVED AS TO FORM AND LEGALITY

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CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. 2024-

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(1) AWARDING A CONSTRUCTION CONTRACT TO ROEBBELEN CONTRACTING, INC. OF EL DORADO HILLS, CALIFORNIA, IN THE AMOUNT OF $60,221,000 FOR THE MULTI-GENERATIONAL RECREATIONAL CENTER PROJECT, CIP 78178,
(2) AUTHORIZING THE CITY MANAGER TO APPROVE CHANGE ORDERS UP TO THE CONTINGENCY AMOUNT OF $6,022,100, IF NEEDED, PURSUANT TO TRACY MUNICIPAL CODE SEECTION 2.20.090(B),
(3) APPROVING THE EXECUTION OF A GAS AND ELECTRIC EXTENSION AGREEMENT WITH PACIFIC GAS & ELECTRIC FOR THE PROJECT FOR A NOT-TO-EXCEED AMOUNT OF $190,000.00, and
(4) AUTHORIZE THE CITY MANAGER, PURSUANT TO GOVERNMENT CODE SECTION 4420(B), TO PROCEED WITH THE PROPOSAL FROM ALLIANT FOR AN OWNER-CONTROLLED INSURANCE PROGRAM (OCIP) TO PROCURE CONSTRUCTION INSURANCE FOR THE PROJECT IN THE AMOUNT OF $1,796,052.

WHEREAS, In 2018, the City Council approved the Multi-Generational Recreation Center Project CIP 78178 (Project), as a major amenity, to be funded by Measure V sales tax revenue, that would provide a space to serve a broad spectrum of the City's demographics, including families, teens, seniors, and commuters; and

WHEREAS, The City hired LPA Design, Inc. (LPA) in February 2022 to lead the design of the Project including the preparation of plans and specifications; and

WHEREAS, The City has an established system for prequalification of prospective bidders for public works construction projects that involve construction of public buildings and other major infrastructure projects that require significant specialized experience or expertise. Based on the scope and scale of the Project, staff determined that a pre-qualification process would be advantageous. This process allows the City to review and evaluate qualifications and responsiveness of potential bidders prior to bidding (See Tracy Municipal Code Section 2.20.275); and

WHEREAS, The Request for Qualifications (RFQ) for prospective bidders advertising the pre-qualification process was issued on September 26, 2023, and closed on October 26, 2023; and

WHEREAS, The City received submittals from seven (7) construction firms. City staff and the City's construction management firm (Gilbane) reviewed the submittals for completeness and rated them based on a uniform system of rating. Based on the pre-qualification criteria, the City Engineer determined the following construction firms were qualified to submit construction bids for the Project.

- Midstate Construction
- Otto Construction
- Roebbelen Contracting, Inc.
- Swinerton Builders
- S.J. Amoroso Construction Co., LLC; and

WHEREAS, The Project was advertised for competitive bids on March 15, 2024, and March 22, 2024. Bids were received and publicly opened in City Hall Conference Room 203 and via teleconference at 2:30 p.m. on Thursday, April 18, 2024, with the following results:

Contractor	**Base Bid**
Swinerton Builders	$48,876,000.00
Roebbelen Contracting, Inc.	$60,060,000.00
S.J. Amoroso Construction Co., LLC	$63,247,000.00
Otto Construction	$67,292,000.00

Contractor	**Add Alt 1A**	**Add Alt 1B**	**Add Alt 1C**	**Add Alt 1D**	**Add Alt 1E**	**Add Alt 1F**	**Add Alt 2**	**Add Alt 3**
Swinerton Builders	$27,000	$27,000	$27,000	$27,000	$27,000	$27,000	$53,000	$105,000
Roebbelen Contracting, Inc.	$44,500	$89,000	$124,200	$133,600	$100,800	$56,250	$45,700	$161,000
S.J. Amoroso Construction Co., LLC	$60,000	$90,000	$25,000	$25,000	$25,000	$25,000	$110,000	$70,000
Otto Construction	$0	$0	$0	$0	$0	$0	$22,400	$149,100

WHEREAS, On Monday, April 22, 2024, the City received written correspondence from the apparent low bidder Swinerton Builders (Swinerton), requesting that it be allowed to withdraw its bid pursuant to California Public Contract Code section 5100, et seq., and Section 11 of the Instructions to Bidders. Swinerton's bid contains clerical mistakes that render it materially different from what Swinerton intended. Staff has accepted the Bid Withdrawal without forfeiture of the bid security because the Bidder has met the four required conditions:

1. The Bidder has established to the City's satisfaction that a mistake was made.
2. The Bidder notified the City within five working days.
3. The mistake made the bid materially different that intended by the contractor.
4. The mistake was made in filling out the bid documents, not due to an error in judgement or to carelessness in inspecting the work site and reading the plans; and

WHEREAS, Due to Swinerton withdrawing its bid, staff's bid analysis indicated that Roebbelen Contracting, Inc. is the lowest bidder. The bidder has the appropriate contractor's license in active standing with the State of California and is pre-qualified to bid on the Project; and

WHEREAS, Staff is recommending that the City Council award the Base Bid in the amount of $60,060,000 and Add-Alternative 3 (Provide lighting at basketball courts per drawings and specs) in the amount of $161,000 for a total construction contract cost of $60,221,000; and

WHEREAS, Tracy Municipal Code Section 2.20.090(b) authorizes the City Manager to approve change orders up to the contingency amount approved by the City Council, of $6,022,100 for this project, which is 10% of the construction contract cost; and

WHEREAS, the recommended contingency amount for this project is $6,022,100, which is 10% of the construction contract cost; and

WHEREAS, On December 5, 2023, the City Council approved, by motion, a financing plan for the Project which included a not-to-exceed budget of $88,000,000; and

WHEREAS, The City has coordinated with the electric utility provider (PG&E) for the project, developing a design for the extension of utilities to serve the Project.; This work is required for the Project and will be performed by PG&E; As required by the California Public Utilities Commission (CPUC), special facilities (such as the extension of utilities for the Project) must be handled through a separate contract (see Exhibit A); The total cost for this required work will not exceed $190,000 and it is accounted for within the not-to-exceed Project budget; Staff is requesting that the City Council approve the execution of the PG&E contract attached hereto as Exhibit A, so that PG&E can begin to schedule this work in coordination with the general contractor; and

WHEREAS, pursuant to Government Code Section 4420(b), the City seeks to utilize an Owner-Controlled Insurance Program (OCIP) for the Project; and

WHEREAS, pursuant to Government Code Section 990.8, by separate action, the City Council has considered the adoption of the City's Owner-Controlled Insurance Program (OCIP) by approving the execution of the Joint Powers Agreement with a consortium of public agencies to join an Insurance-Risk Pool Entity Collectively Known As Public Risk Innovation, Solutions (PRISM) approving the execution of a Memorandum of Understanding with PRISM to authorize the City to utilize PRISM to form an Owner-Controlled Insurance Program (OCIP) for use on future capital projects; and

WHEREAS, pursuant to Government Code Section 4420(b), facts support the following findings required for utilizing the City's Owner-Controlled Insurance Program (OCIP) on the Project:

(1) the Prospective bidder(s), including contractors and subcontractors, meet minimum occupational safety and health qualifications established to bid on the project;
(2) The use of owner-controlled or wrap-up insurance will minimize the expenditure of public funds on the project in conjunction with the exercise of appropriate risk management;
(3) The program maintains completed operation coverage for a term for which the Insurance Commissioner has determined that coverage is reasonably commercially available, but in no event less than three years;
(4) Bid specifications clearly specify for all bidders the insurance coverage provided under the program and minimum safety requirements that must be met;

(5) The program does not prohibit a contractor or subcontractor from purchasing any additional insurance coverage that a contractor or subcontractor believes is necessary to protect from any liability arising out of the contract; and
(6) The program does not include surety insurance; and

WHEREAS, staff recommends that the City Council authorize the City Manager, pursuant to Government Code Section 4420(b), to proceed with the proposal (Exhibit B) from Alliant for an Owner-Controlled Insurance Program (OCIP) to procure construction insurance for the Project for a not-to-exceed amount of $1,796,052; and

NOW THEREFORE, be it,

RESOLVED: That the City Council of the City of Tracy hereby affirms that the above recitals are true and correct and incorporate their facts in support of findings and resolutions herein; and be it further

RESOLVED: That the City Council hereby determines the proposed actions herein related to the Multi-Generational Recreation Center Project CIP 78178 comply with the California Environmental Quality Act pursuant to CEQA Guidelines Section 15378 and the final Initial Study/Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program was approved and adopted by the Tracy City Council on January 16, 2024, per Resolution 2024-005; and be it further

RESOLVED: That the City Council of the City of Tracy hereby awards and authorizes the execution of a construction contract to Roebbelen Contracting, Inc., of El Dorado Hills, California, in the amount of $60,221,000.00 for the Multi-Generational Recreation Center Project, CIP 78178; and be it further

RESOLVED: That the City Council of the City of Tracy authorizes the City Manager to approve change orders under the construction contract with Roebbelen Contracting, Inc., up to the contingency amount approved by the City Council, of $6,022,100, if needed, pursuant to Tracy Municipal Code Section 2.20.090(b), and be it further

RESOLVED: That the City Council approves the execution of a Gas and Electric Extension Agreement with Pacific Gas & Electric for the Multi-Generational Recreation Center Project CIP 78178 for a not-to-exceed amount of $190,000.00 attached hereto as Exhibit A; and be it further

RESOLVED: That the City Council, subject to approval of the OCIP by separate action, adopts and certifies the following findings, pursuant to Government Code Section 4420(b), in support the execution of an insurance coverage agreement with Public Risk, Innovation, Solutions, and Management to authorize the City's OCIP to procure and utilize construction insurance for the Multi-Generational Recreation Center Project:

(1) the Prospective bidder(s), including contractors and subcontractors, meet minimum occupational safety and health qualifications established to bid on the project;
(2) The use of owner-controlled or wrap-up insurance will minimize the expenditure of public funds on the project in conjunction with the exercise of appropriate risk management;

(3) The program maintains completed operation coverage for a term for which the Insurance Commissioner has determined that coverage is reasonably commercially available, but in no event less than three years;
(4) Bid specifications clearly specify for all bidders the insurance coverage provided under the program and minimum safety requirements that must be met;
(5) The program does not prohibit a contractor or subcontractor from purchasing any additional insurance coverage that a contractor or subcontractor believes is necessary to protect from any liability arising out of the contract; and
(6) The program does not include surety insurance;

and be it further,

RESOLVED: That the City Council authorizes the City Manager, pursuant to Government Code Section 4420(b), to proceed with the proposal attached hereto as Exhibit B from Alliant for an OCIP to procure construction insurance for the Project for a not-to-exceed amount of $1,796,052.

* * * * * * * * * * * * * * *

The foregoing Resolution 2024-_____ was adopted by the Tracy City Council on May 21, 2024, 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

EXHIBITS:

- A – PG&E Gas and Electrical Extension Agreement
- B – Project-Specific OCIP Proposal with Alliant

May 21, 2024

Agenda Item 1.K

RECOMMENDATION

Staff recommends that the City Council take the following actions, pursuant to the California Landscape and Lighting Act of 1972 and California Streets & Highway Code § 22623 *et seq.*:

(1) Adopt a Resolution Approving the Engineer's Report describing existing and/or proposed new improvements for the Tracy Consolidated Landscape Maintenance District for Fiscal Year 2024/2025; and
(2) Adopt a Resolution of Intention: (A) to levy and collect annual assessments for the Tracy Consolidated Landscape Maintenance District for Fiscal Year 2024/2025 to be considered at a future public hearing; and (B) hold a public hearing on June 18, 2024, at 7:00 p.m. to consider the same in accordance with the Landscape and Lighting Act of 1972.

EXECUTIVE SUMMARY

Annually, the City Council is required by the California Landscape and Lighting Act of 1972 to review and consider for approval the Tracy Consolidated Landscape Maintenance District (District) Engineer's Report for the new Fiscal Year. Upon approval of the Engineer's Report, the City Council must adopt a resolution of intention to (1) levy assessments based on the Engineer's Report describing existing and/or proposed new improvements and any substantial changes to existing improvements to the Tracy Consolidated Landscape Maintenance District; and 2) hold a subsequent Public Hearing (proposed for June 18, 2024 at 7:00 p.m.) where the City Council will review public comments and consider authorizing the levying and collection of special assessments needed to maintain the landscaping and related appurtenances in all forty-one (41) Zones in the District for Fiscal Year 2024/2025.

The law authorizes City Council to modify the Engineer's Report prior to final approval and Council's declaration of intention to levy and collect assessments based on the Report.

For Fiscal Year 2024/2025, the General Fund anticipates providing approximately $721,500 in the form of a Capital Improvement Project (CIP) for arterial landscaping and tree maintenance as these improvements are generally viewed as a general benefit. In addition, the Storm Drain fund is expected to contribute $20,000 to cover a portion of the expenses associated with channel-way landscaping. All other revenues are levied through Zone assessments and/or Zone reserves.

The proposed Engineer's Report for Fiscal Year 2024/2025 attached hereto as Attachment A provides the following breakdown: Seventeen (17) Zones are projected to increase their respective reserve budget to support future asset replacements; Seven (7) Zones are projected to not be assessed as maintenance is performed by another entity (i.e. HOA) or their respective reserve budget has ample funds to cover any maintenance needs plus future asset replacements; Ten (10) Zones are projected to utilize their reserves as enhancements are projected to occur to improve the overall aesthetics; Three (3) Zones are projected to eliminate their deficit and begin establishing a reserve budget; and Four (4) Zones are expected to reduce their existing deficit.

BACKGROUND AND LEGISLATIVE HISTORY

Prior to Fiscal Year 2003-2004, the City managed three (3) landscape maintenance districts. Each of these districts were formed with specific areas of improvement. Collectively, there were thirty (30) different Zones, each Zone included specific improvements that were installed as a condition of approval, and the Zone improvements were maintained for the benefit of those properties.

In Fiscal Year 2003-2004, the City consolidated the three (3) districts into a single district pursuant to Section 22605 (d) of the Landscape and Lighting Act of 1972 and established the Tracy Consolidated Landscape Maintenance District. As part of the consolidation, the improvements associated with the various Zones were evaluated and it was determined that, in some areas, the special benefit to properties could be more refined by expanding the existing thirty (30) Zones to thirty-seven (37) Zones. Since the consolidation, several annexations have taken place and there are now forty-one (41) Zones in the District.

The City utilizes the equivalent dwelling unit (EDU) method of apportionment. This method is widely seen as the most appropriate and equitable assessment methodology for districts governed by the Landscape and Lighting Act of 1972. An EDU is a methodology used to convert differing parcel types and sizes to equate back to a single-family parcel. The single-family parcel is used as the basic unit of assessment. Every other land use is converted to EDU's based on an assessment formula that equates the property's specific development status, type of development, and size of the property, as compared to a single-family home site.

On December 5, 2023, through Resolution No. 2023-231, the City Council retained Harris & Associates (Harris) for administrative, engineering, and financial services, including assisting with the annual levy of the District and to prepare and file with the City Clerk the Annual Engineers Report for the District in accordance with the Landscape and Lighting Act of 1972.

ANALYSIS

At the time of the creation (formation) of each Zone, a maximum allowable assessment was established. The maximum assessment was based on the maintenance cost projected to cover the landscaping and related services and amenities within each Zone. It is recognized that the cost of maintaining the improvements increases each year due of inflation. Therefore, as an attempt to offset inflationary increases that affect service costs to the Zone, assessments include a formula for increasing the maximum assessment rates for each future Fiscal Year. The annual inflationary rate increase allows the maximum rates to be adjusted by three percent (3%) or the percentage of the Consumer Price Index for All Urban Consumers (CPI-U) for the San Francisco-Oakland-San Jose Area Region, whichever is less.

These moderate annual inflationary increases have not been adequate to keep up with the cost of maintaining the improvements and related services within each Zone. The City utilizes June as their benchmark month when analyzing the 12-month percent change for the CPI-U. Since 2018, with the exception of 2020 (which was impacted by Covid-19), the CPI-U has been greater than three percent (3%).

Some Zones have accumulated a structural deficit while others have been dependent on their respective reserves to balance the operating budget for regular routine maintenance. Having to absorb this delta has resulted in a financial burden for several Zones. For example, twenty-seven (27) of the forty-one (41) Zones (66%) have reached their maximum assessment rates

and either are or will be experiencing a budget shortfall. Pursuant to Article XIII D of the California Constitution (commonly known a Proposition 218), property owners shall approve any assessments that exceed the adjusted maximum assessment. Prop 218 provides limited opportunities to increase revenue. There are two methods to increase revenue beyond the adjusted maximum assessment: 1) the General Fund may contribute funds to Zones to ensure a balanced budget; and 2) Initiate special ballot proceedings pursuant to Government Code 53753 and Prop 218.

For Fiscal Year 2024/2025, the General Fund anticipates providing approximately $721,500 in the form of a capital improvement project for arterial landscaping and tree maintenance as these improvements are generally viewed as a general benefit. These funds will continue to support a consistent level of maintenance for arterial roadways that the public benefits from for ease of transportation and connectivity throughout the community. Without the General Fund contribution for arterial maintenance, several Zones would need to rely on their reserves, require a service level reduction, and/or incur or increase their deficit to balance the Zones operating budget. In addition, the Storm Drain fund is expected to contribute $20,000 to cover a portion of the expenses associated with channel-way/bike path landscaping.

The last special ballot proceeding for re-assessment to levy fees beyond the annual inflationary rate was done in Zone 17 of Fiscal Year 2007-2008. Staff has developed an LMD landing page to provide stakeholders with valuable information pertaining to their Zone. Also, an LMD brochure has been created along with business cards with a QR code that links to the City's LMD webpage. In addition, Parks Maintenance will begin coordinating with Recreation to showcase Zone enhancements via City social media platforms.

Staff continues to work with their Consultant, Harris, on developing a methodical plan and process for Zones that have reached their maximum assessment. The process will include an analysis of financing strategies, re-engineering, public outreach, special benefit analysis, and balloting services. Staff anticipates returning to City Council in late Fall with an informational report outlining the plan/process for Zones that have reached their maximum assessment.

Pursuant to Prop 218, the maximum assessment rates allowed for Fiscal Year 2024/2025 is recommended to be adjusted by 2.9% over the prior year's maximum assessment rates. While it is necessary to keep up with inflation and adjust maximum assessments, it is important to note that the amount to be levied will only be based on the estimated cost of maintenance.

Based upon the estimated costs to maintain the long and short-term landscaping and improvements, staff recommends approval of the assigned assessment rates found in Part II ("Estimate of Costs") of the Engineer's Report for Fiscal Year 2024/2025. The report reflects the following:

- Seventeen (17) Zones are projected to increase their respective reserve budget to support future asset replacements.
- Seven (7) Zones are projected to not be assessed as maintenance is performed by another entity (i.e., HOA) or their respective reserve budget has ample funds to cover any maintenance needs.
- Ten (10) Zones are projected to have higher expenditures than revenues as enhancements are expected to occur to improve the overall aesthetics.
- Three (3) Zones are projected to eliminate their deficit and begin establishing a reserve budget.
- Four (4) Zones are expected to reduce their existing deficit.

FISCAL IMPACT

The District has forty-one (41) Zones; therefore, each Zone should be viewed as an independent budget. Revenue for operations, maintenance, and capital replacement in each Zone is from assessments, storm drain, general fund, and reserves. Below is a breakdown by Zone:

Zone	Revenue	Expense
1	$50,214	$74,800
2	$26,376	$37,817
3	$503,599	$545,543
4	$8,646	$3,169
5	$0	$227
6	$4,485	$428
7	$342,976	$303,410
8	$75,936	$57,813
9	$643,012	$439,199
10	$285,465	$204,935

Zone	Revenue	Expense
11	$2,403	$1,689
12	$141,391	$115,074
13	$142,601	$180,938
14	$70,278	$91,340
15	$269,429	$302,712
16	$59,183	$54,905
17	$385,434	$925,454
18	$198,328	$170,958
19	$184,856	$201,533
20	$36,699	$34,508

Zone	Revenue	Expense
21	$73,648	$72,696
22	$41,303	$29,657
23	$74,667	$44,812
24	$111,264	$106,721
25	$0	$0
26	$287,483	$358,402
27	$16,465	$11,863
28	$102,003	$193,412
29	$116,660	$60,810
30	$66,756	$65,813

Zone	Revenue	Expense
31	$0	$0
32	$0	$0
33	$3,079	$30,222
34	$36,130	$22,729
35	$91,749	$87,100
36	$0	$25
37	$0	$0
40	$17,858	$7,479
41	$2,904	$1,766
42	$21,733	$12,428
43	$10,500	$7,002

PUBLIC OUTREACH / INTEREST

If Council approves the requested actions, a noticed public hearing will take place on June 18, 2024, at 7:00 p.m.

COORDINATION

This report was prepared by the Parks, Recreation, and Community Services Department in coordination with the Finance and Public Works Departments.

CALIFORNIA ENVIRONMENTAL QUALITY ACT

This item is exempt from review under the California Environmental Quality Act (California Public Resources Code §§ 21000, et seq., “CEQA”) and CEQA regulations (14 California Code of Regulations §§ 15000, et seq.; “CEQA Guidelines”) in that it is not a "project" for purposes of CEQA (as defined by CEQA Guidelines §15378). Specifically, this item proposes an organizational or administrative activity that will not result in a direct or indirect physical change in the environment (CEQA Guidelines §§15378(b)(5)). Further, even if this item was deemed a "project," and therefore subject to CEQA, the item would be exempt as it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment (CEQA Guidelines §15061(b)(3)).

STRATEGIC PLAN

This agenda item is consistent with the City Council’s adopted Quality of Life strategies.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council take the following actions, pursuant to the California Landscape and Lighting Act of 1972 and California Streets & Highway Code § 22623 *et seq.*:

(1) Adopt a Resolution Approving the Engineer’s Report describing existing and/or proposed new improvements for the Tracy Consolidated Landscape Maintenance District for Fiscal Year 2024/2025; and

(2) Adopt a Resolution of Intention: (A) to levy and collect annual assessments for the Tracy Consolidated Landscape Maintenance District for Fiscal Year 2024/2025 to be considered at a future public hearing; and (B) hold a public hearing on June 18, 2024, at 7:00 p.m. to consider the same in accordance with the Landscape and Lighting Act of 1972.

Prepared by: Nilo Velazquez, Management Analyst II
Todd Rocha, Operations Superintendent (Parks Maintenance)

Reviewed by: Jolene Jauregui-Correll, Interim Director of Parks, Recreation, and Community Services
Brian McDonald, Interim Director of Public Works
Sara Cowell, Director of Finance
Kimberly Murdaugh, Interim Assistant City Manager
Jeffrey Crosswhite, Assistant City Attorney
Bijal Patel, City Attorney

Approved by: Midori Lichtwardt, City Manager

Attachment:

Attachment A: Engineer's Report, Tracy Consolidated Landscape Maintenance District for Fiscal Year 2024-2025

ATTACHMENT A

CITY OF TRACY CALIFORNIA
Think Inside the Triangle™

CITY OF TRACY

PRELIMINARY ENGINEER'S REPORT
FISCAL YEAR 2024-25
CONSOLIDATED LANDSCAPE MAINTENANCE DISTRICT

May 2024

Harris & Associates

Prepared by

Harris & Associates
1401 Willow Pass Road, Suite 500
Concord, CA 94520
www.weareharris.com

ENGINEER'S REPORT FOR
FISCAL YEAR 2024-25
CONSOLIDATED LANDSCAPE MAINTENANCE DISTRICT
CITY OF TRACY
STATE OF CALIFORNIA

APPROVED BY THE CITY COUNCIL FOR THE CONSOLIDATED LANDSCAPE MAINTENANCE DISTRICT OF THE CITY OF TRACY, STATE OF CALIFORNIA ON THE _____ DAY OF _____, 2024

_____
ADRIANNE RICHARDSON
CITY CLERK
CITY OF TRACY

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Appendix A – Improvement Areas by Zone

Appendix B – Consolidated Landscape Maintenance Map

Appendix C – Assessment Roll

INTRODUCTION

The City of Tracy (the "City"), is the second most populated city in San Joaquin County. The City population is approximately 95,000. Tracy is located inside a geographic triangle formed by Interstate 205 on the north side, Interstate 5 to the east, and Interstate 580 to the southwest; this has given rise to Tracy's motto, now recorded on the City's website: "Think Inside the Triangle".

Prior to Fiscal Year 2003-04, the City levied and managed three individual landscape maintenance districts identified as:

- Tracy Landscape and Lighting Assessment District 8501 formed in 1985;
- Tracy Landscape and Lighting Assessment District 8801 formed in 1988; and,
- Tracy Landscape and Lighting Assessment District 9802 formed in 1998.

Each of these original districts was formed with various Zones, and with specific areas of improvement. The parcels receiving benefit from those improvements have been assessed the costs of maintaining those improvements. At that time, the three original districts included thirty (30) different Zones. Each Zone included specific improvements that were installed as a condition of approval and the Zone improvements were maintained for the benefit of those properties.

In Fiscal Year 2003-04 the City consolidated the three existing districts into a single district pursuant to Section 22605 (d) of the 1972 Act and established the Tracy Consolidated Landscape Maintenance District. As part of the consolidation, the improvements associated with various Zones were closely evaluated and it was determined that in some areas, the special benefits to properties could be more refined by expanding the existing thirty (30) Zones to thirty-maintenance (37) Zones.

Several annexations have taken place over the subsequent years and there are now 41 Zones within the District. Each annexation was made pursuant to the 1972 Act and the substantive and procedural requirements of the Proposition 218.

As required by the Landscaping and Lighting Act of 1972, this Engineer's Report describes the improvements to be constructed, operated, maintained, and serviced by the District, provides an estimated budget for the District, and lists the proposed assessments to be levied upon each assessable lot or parcel within the District. Following the approval of the preliminary report, either as submitted or as modified, the City Council will hold a Public Hearing to provide an opportunity for any interested person to be heard. All property owners must be noticed in accordance with Section 22626 of the Streets and Highways Code prior to the Public Hearing. At the conclusion of the Public Hearing, the City Council may adopt a resolution confirming the levy of assessments as originally proposed or as modified.

Following the adoption of said resolution, the final assessor's roll will be prepared and filed with the County Tax Collector's office to be included on the FY 2024-25 tax roll.

IMPACTS OF PROPOSITION 218

On November 5, 1996, California voters approved Proposition 218 entitled "Right to Vote on Taxes Act" which added Article XIIID to the California Constitution. While its title refers only to taxes, Proposition 218 establishes new procedural requirements for the formation and administration of assessment districts. Proposition 218 also requires that with certain specified exceptions, which are described below, all existing assessment districts must be ratified by the property owners within the District using the new procedures.

Some of these exceptions include:

1) Any assessment imposed exclusively to finance the capital cost or maintenance and operation expenses for streets.
2) Any assessments levied pursuant to a petition signed by the persons owning all of the parcels subject to the assessment at the time the assessment was initially imposed.

However, even if assessments are initially exempt from Proposition 218, if the assessments are increased in the future, the City will need to comply with the provisions of Proposition 218 for that portion of the increased assessment unless the increase in assessment was anticipated in the assessment formula (e.g., CPI increase).

Proposition 218 does not define this term "streets", however, following the passage of Proposition 218 based on conversations with other public agency officials, attorneys, assessment engineers and Senate Bill 919, we determined that "streets" include all public improvements located within the street right-of-way. This would include median and parkway landscaping, traffic signals, safety lighting and street lighting.

It was also determined that if assessments were imposed as a condition of development and property owners agreed to the imposition of assessments and subsequently signed a development agreement confirming so, then this would suffice for the requirement of signing a petition.

The more difficult question arose in those situations where the levy of assessments was imposed as a condition of approval for land development or subdivision where the property owner did not enter into a development agreement. In those cases, if the landscape, park, or streetlight facilities and the resulting assessment were a condition of the land development or subdivisions approval and the property owner acquiesces to the levy of assessment, it is reasoned that this was a functional equivalent of giving express consent or signing a petition requesting the imposition of the assessment. Even the Howard Jarvis Taxpayers' Association seems to tacitly support this conclusion in its "Statement of Drafters' Intent". When discussing the exemption for existing assessments imposed pursuant to a petition, the taxpayers' association said:

> "This provision exempts most land secured financing arrangements used by developers."

Clearly acceptance of a condition of approval of a development or subdivision which requires that imposition of assessments is a common form of land secured financing used by developers to fund street lighting or landscape maintenance.

STATEMENT OF ASSESSMENT ENGINEER

Statement of Assessment Engineer

AGENCY: **CITY OF TRACY**

PROJECT: **CONSOLIDATED LANDSCAPE MAINTENANCE DISTRICT**

TO: **THE CITY COUNCIL**
CITY OF TRACY
STATE OF CALIFORNIA

ENGINEER'S REPORT FOR FISCAL YEAR 2024-25

The preparation of this Annual Engineer's Report ("Report") is in conformance with the obligation of the City Council for the Consolidated Landscape Maintenance District of the City of Tracy to provide landscape maintenance services upon each lot or parcel of land in the district in proportion to the estimated benefit to be received by each such lot or parcel of land for Fiscal Year 2024-25.

Pursuant to the Landscaping and Lighting Act of 1972 (Part 2 Division 15 of the Streets and Highways Code of the State of California, commencing with Section 22500) ("Act"), Article XIIID, Section 4(a) of the State of California Constitution, and in accordance with the City of Tracy's Resolution being adopted by the City Council for the Consolidated Landscape Maintenance District on the 21st day of May, this Report has been ordered for:

CONSOLIDATED LANDSCAPE MAINTENANCE DISTRICT

(Hereinafter referred to as the "District"),

I, Alison Bouley, authorized representative of the District, the duly appointed Assessment Engineer submit the following Report which consists of the following six (6) parts and Appendices:

PART I

Plans and Specifications: Plans and specifications for the improvements are as set forth on the lists thereof, attached hereto, and are on file in the Office of the City Clerk and are incorporated herein by reference.

PART II

Estimate of Cost: An estimate of the costs of the proposed improvements, including incidental costs and expenses in connection therewith, is as set forth on the lists thereof, attached hereto, and are on file in the Office of the City Clerk and incorporated herein by reference.

PART III

Quantification of Benefit: The quantification of benefit identifies, separates and quantifies the general and special benefits received by each parcel in the District, for the services received and the improvements provided.

PART IV

Method of Assessment: The method of assessment indicates the proposed levy of the net amount of the costs and expenses of the improvements to be levied upon the parcels of land within the District, in proportion to the estimated benefits to be received by such parcels.

PART V

Assessment Diagram: The diagram of the district and zone boundaries showing the exterior boundaries of the Assessment District and all Zones, and the lines and dimensions of each lot or parcel of land within the Assessment District. The lines and dimensions of each lot or parcel within the Assessment District are those lines and dimensions shown on the maps of the Assessor of the County of San Joaquin for the fiscal year to which this Report applies. The Assessor's maps and records are incorporated by reference herein and made part of this Report. Appendix A describes the Improvement Areas of the District by Zone. Appendix B provides the Consolidated Landscape Maintenance District Map.

PART VI

Assessment Roll: An assessment of the estimated cost of the improvements on each benefiting lot or parcel of land within the District. The proposed Assessment Roll using the Fiscal Year 2024-25 assessment rates are included in this Report as Appendix C.

Appendices

Appendix A – Improvement Areas by Zone

Appendix B – Consolidated Landscape Maintenance District Map

Appendix C – Assessment Roll

In conclusion, it is my opinion that the costs and expenses of the District have been assessed to the lots and parcels within the boundaries of the District in proportion to the estimated benefits to be received by each lot or parcel from the services provided.

DATED this ____ day of _____, 2024

Harris & Associates



_____

Alison Bouley, P.E., Assessment Engineer
R.C.E. No. C61383
Engineer of Work

PART I – PLANS AND SPECIFICATIONS

DESCRIPTION OF IMPROVEMENTS
FOR THE CITY OF TRACY
CONSOLIDATED LANDSCAPE MAINTENANCE DISTRICT
FISCAL YEAR 2024-25

The District assessments provide for the continued maintenance, servicing, administration and operation of specific landscaped areas and associated appurtenances for each of the forty-one (41) Zones in the District. It has been determined that the assessed parcels within each Zone receive special benefits from various landscape improvements that may include, but are not limited to: ground cover, turf, shrubs, trees, irrigation systems, drainage and electrical systems, masonry walls or other fencing, entryway monuments or other ornamental structures, recreational equipment, hardscapes and any associated appurtenances within medians, parkways, dedicated easements, channel-ways, parks or open space areas within each Zone. Services provided include the necessary operations, administration, and maintenance required to keep the improvements in a healthy, vigorous, and satisfactory condition or are necessary or convenient for the maintenance of the improvements. The continued maintenance of these improvements shall be budgeted and reviewed each fiscal year and fully or partially funded through the annual assessments. A listing of the improvement areas for each Zone is shown in Appendix A.

All assessable parcels identified as being within each Zone share in both the cost and the benefits of the improvements. The costs and expenses associated with the improvements in each Zone are equitably spread among all benefitting parcels within that Zone and only parcels that receive special benefit from the improvements are assessed in proportion to benefit received. The funds collected from the assessments are dispersed and used for the services and operations provided within the District. Properties receive the following special benefits from the District landscape improvements:

- Enhanced desirability of properties through association with the improvements and the aesthetic value of green space within the area.
- Improved aesthetic appeal of properties providing a positive representation of the area.
- Enhanced adaptation of the urban environment within the natural environment from adequate green space and landscaping.
- Environmental enhancement through improved erosion resistance, dust and debris control and reduced noise and air pollution.
- Reduced vandalism and criminal activity resulting from well-maintained surroundings and amenities.
- The special enhancements of the properties that results from the above benefits.

The proposed budgets and maintenance costs for various Zones may include the following long-term maintenance programs:

1. Tree Maintenance Programs (Arterial, Parkway Street and Park Tree Maintenance);
2. Streetscape Revitalization and Rehabilitation Program and;
3. Park Rehabilitation and Renovation Program.

The total amount to provide these programs in each Zone where these services apply is greater than can be conveniently raised from a single annual assessment and the estimated costs of these programs for each Zone shall be raised and collected in installments as part of the annual assessments. The individual Budget pages for each Zone detail the amounts collected and/or expended each year.

The City developed these programs to fund periodic and programmed maintenance, renovation, rehabilitation, replacement and revitalization of District improvements. The City has carefully reviewed each of the associated program costs and the corresponding collection of funds has been proportionately spread to each parcel based on special benefits received from the services to be rendered within their Zone over an extended period.

Tree Maintenance Program

The Tree Maintenance program (Parkway street-tree, Arterial-tree, and Park-tree maintenance) may include both routine and emergency maintenance for the District trees, whether those trees are along streets or within parks. In the Zones assessed for this program, the following may apply:

- Regular trimming and pruning of the Park-trees, which includes trimming and pruning of the trees as needed to ensure the health and growth of the trees.
- Removal and replacement of the Park-trees, including the removal or replacement of damaged or diseased trees, or removal of trees whose growth has or will potentially cause damage to existing landscape improvements, sidewalks or curbs. This program may include the replacement or repair of surrounding City improvements as needed.

Assessments for the tree maintenance program shall be collected from only those parcels and Zones identified as receiving special benefit from each of the specific services provided. Each parcel within the District that benefits from the various tree maintenance services is assessed on an annual installment basis to meet its proportional share of the cost and expenses associated with the tree maintenance, which is planned every five to ten years, depending upon Zone funding availability.

Streetscape Revitalization and Rehabilitation Program

The Streetscape Revitalization and Rehabilitation program includes, but is not limited to the following and may include routine or emergency maintenance.

1. Removal or replacement of existing dead/dying plant materials within the medians and parkway-landscaped areas.
2. Removal of existing plant materials and replacement with new plant material or non-plant materials within the medians and parkway-landscaped areas.
3. Upgrades or renovation to the irrigation or drainage systems, electrical systems or water meters, hardscape improvements associated with the landscaping such as confirmed City sound walls, walking paths, soil and stamped concrete.

Assessments for the streetscape program shall be collected from only those parcels and Zones identified as receiving special benefit from parkway and median landscaped areas. Each parcel within the District that benefits from the streetscape revitalization and rehabilitation services is assessed on an annual installment basis to meet its proportional share of the cost and expenses associated with the program.

This program is designed to ensure the long-term maintenance of all streetscape landscaping within the District.

Park Rehabilitation and Renovation Program

There are specific costs associated to the annual and regular maintenance of park improvements and facilities which are included in the annual maintenance expenses of those Zones that benefit from the parks associated with that Zone. However, the cost of periodically repairing, replacing, and upgrading the landscaping and facilities within these parks cannot be reasonably collected in a single annual assessment. Therefore, the City has established a long-term park rehabilitation and renovation program that includes the design repair and reconstruction of parks within the District.

Each parcel within the District that benefits from the park rehabilitation and renovation services is assessed on an annual installment basis to meet its proportional share of the cost and expenses associated with the program. However, with current inflation rates, the majority of Zones are unable to keep up with the accelerating maintenance costs.

The costs of providing for the annual and regular maintenance of the landscape improvements as well as the long-term maintenance programs for the District have been identified as a special benefit to properties within the District. Although the location of the improvements may be visible to properties outside the District or to the public at large, the improvements have been installed and are maintained for the benefit of properties within the District. As such, there is no quantifiable general benefit from the improvements to persons or properties outside the District. The portion of the costs associated with the maintenance of the Channel-ways and the landscaped areas on Eleventh Street, generally between Lammers Road and the Railroad Tracks east of Corral Hollow Road, benefit both properties within the adjacent Zones as well as properties that are not within the District and it has been determined that the City will contribute funds to the District for the maintenance of these areas.

The assessments and Method of Assessment described in this Report utilize commonly accepted assessment engineering practices and have been established pursuant to the 1972 Act and the provisions of Proposition 218. The assessment amount for each Zone is based only on the services and improvements associated with that Zone. All assessments are apportioned based upon the special benefit received by the properties within each Zone and are over and above any general benefit conferred on the public at large. Any new or increased assessments will be subject to the substantive and procedural requirements of Proposition 218. Property owner ballot proceedings are not required if the proposed annual assessment rate is less than or equal to the maximum assessment rate previously approved for each of the Zones.

In any given fiscal year, if the assessment revenue will not allow for full maintenance service in a particular Zone, City staff will determine the scope of work to be performed, and any necessary reductions in the scope of work will likely include, but not be limited to, the reduction or elimination of the long-term renovation and rehabilitation programs and some or all of the following:

Turf Areas

- Reduced frequency of mowing and edging turf areas. Full scope includes mowing and edging turf areas regularly.
- No fertilization. Full scope includes fertilization multiple times a year. Limited/elimination of weed control.
- Limited/elimination of aeration.

Ground Cover/Shrub Areas

- Limited/elimination of emergent weed control. No fertilization.
- Limited/elimination of mowing or removal of dead plants and leaves.
- Limited/elimination of vine trimming

General Landscaping

- Limited/elimination of removal of tree stakes and ties. Limited/elimination of trash pick-up in landscaping areas.
- Limited/elimination of weed and litter control for gutters, curbs, parking lots and walkways and adjacent to contract areas.
- Administration and operations of the landscaping Zones.

The proposed assessments described in this Report are based on the estimated costs associated with the regular annual maintenance, operation, and servicing of landscape improvements within each Zone. The total cost of these improvements are proportionately spread to only the properties within each respective Zone based on a method of apportionment that reflects the direct and proportional special benefits to each property. In addition to the regular annual maintenance of the landscape improvements, various Zone budgets include the collection of funds associated with specific long-term maintenance and rehabilitation programs identified as: Tree Maintenance Programs; Streetscape Revitalization and Rehabilitation Program; and Park Rehabilitation and Renovation Program. The funds collected for these programs are proportionally collected from only those Zones for which these programs are provided.

The word "parcel", for the purposes of this Report, refers to an individual property assigned its own Assessment Parcel Number by the San Joaquin County Assessor's Office. The San Joaquin County Auditor/Controller uses Assessment Parcel Numbers and specific Fund Numbers to identify, on the tax roll, properties assessed for special district benefit assessments.

PART II – ESTIMATE OF COSTS

The estimated costs of maintenance and servicing the improvements for the District as described in Part 1, Plans and Specifications, for each Zone are summarized in the Zone budget tables on pages 13-53.

The following is a description of the budget items including maintenance, replacement, power costs for supplying electrical energy for the illumination of the decorative lights, irrigation systems, City administrative and personnel services for the annual administration, San Joaquin County costs related to placing assessments onto the tax roll, and any Reserve collections.

Description of Budget Items

EXPENDITURES COSTS [1]

Personnel – 5100

- *Field & Supervisory Personnel.* The cost associated to City staff for providing non-scheduled repairs, graffiti removal, operations and maintenance of the improvements, etc. within the Zones.

Contracted Services – 5200

- *Contracted Maintenance Contracts.* Includes all regularly scheduled labor, material, e.g. fertilizer, insecticides, etc., and equipment required to properly maintain and ensure the satisfactory condition of all landscaping, irrigation and drainage systems, and appurtenant facilities.
- *LMD Administration.* The costs of contracting with professionals to provide services specific to the levy administration, including preparation of the Engineer's Report, resolutions, and levy submittal to the County. These fees can also include any additional administrative, legal, or engineering services specific to the District such as the cost to prepare and mail notices of the public meeting and hearing.

Commodities – 5300

- *Supplies.* Includes supplies to maintain or repair irrigation system, playgrounds, plant material, etc.

Internal Services – 5400

- Services related to City Staff time devoted to the District.
- *Utilities.* The cost of water, sewer, electrical, telephone, vehicle replacement, building, IT, and anything necessary to maintain improvements within the Zones.
- Business expense not chargeable to a particular part of the District (ex: insurance, etc.)
- Incidental costs and expenses of the City associated with the operation and administration of the District and the cost of maintenance, services and incidentals not included above. (ex. vehicle or building maintenance)

Other/Indirect – (5500-5900)

- *Capital Improvement Projects.* These costs include the long-term replacement costs of improvements that cannot be paid for during a single fiscal year. Funds are collected over several years to pay for replacement costs.
- *County Collection Fee.* The cost to the Consolidated District for the County to collect the assessments on the property tax bills. Cost is the lesser of $3.00 per parcel or 1% of the total amount placed onto the tax roll.

LEVY ADJUSTMENTS [2]

Long-Term Maintenance. Includes the following and will be reflected in the 5200 or 5300 category for the year the funds will be expensed.

- *Streetscape Revitalization & Rehabilitation.* This represents the zone's annual installment for participation in the Streetscape Revitalization and Rehabilitation program.
- *Arterial Street Tree, Street Tree, and Park Tree Maintenance.* This represents the zone's annual installment for participation in the Tree Maintenance program.
- *Park Rehabilitation & Renovation.* This represents the zone's annual installment for participation in the Park Rehabilitation and Renovation program.

Zone Reserve Adjustments. Each Zone has its own Reserve Fund and monies are used from the Reserve Funds to reduce assessment amounts to individual parcels or to contribute to the Zone Reserve Funds, whether Operating Reserves or Capital Reserves.

G. F. – Capital Improvement Projects. These costs include the long-term replacement costs of improvements that cannot be paid for during a single fiscal year. Funds are collected over several years to pay for those replacement costs. This also includes the City's contribution to the Zones for any general benefit that the improvements within the Zones may have impact on other properties or the public at large.

Drainage Fund Support. Represents the City's contribution to the Zones for any channel way that the improvements within the Zones may have impact on other properties or the public at large.

Balance to Levy. This is the total amount to be levied and collected through assessments for the current fiscal year. It represents the sum of Total Expenses and Other Revenues subtracting the General Fund Support and the Drainage Fund Support.

Variance. A variance may be seen between the Levy per EDU and the Maximum Levy per EDU. The variance occurs because the Special Assessments required to meet expenses for the current fiscal year are below the maximum level. The Maximum Levy per EDU is based upon the total expenses for all improvements both existing and those planned for the future.

Total Parcels Levied. The total number of parcels within the Zones that will receive the special benefits during the current fiscal year.

Total EDUs. The total Equivalent Dwelling Units within the Zones applied to the parcels described above.

Proposed Levy per EDU. This amount represents the rate being applied to each parcel's individual EDU. The

Levy per EDU is the result of dividing the "Special Assessment to Levy" by the Total EDUs of the Zones for the fiscal year. This rate is rounded to the nearest even pennies for San Joaquin County tax roll purposes.

Maximum Levy per EDU[3]. This is the rate per EDU approved by property owners within the Zone, in accordance with Proposition 218, adjusted for inflation as described in the Method of Apportionment.

Budget Tables

Budget tables for each zone and a summary table for the District are presented on the following pages. The following footnotes apply to all the Budgets:

1. Direct Costs for 2025-26 are equal to the current year's proposed amount plus 3% escalation to account for inflation. This is shown as an estimate only.
2. Administration Costs for 2025-26 are equal to the current year's proposed amount plus 3% escalation to account for inflation, except for the County Collection Fee, which is equal to the lesser of $3 per parcel or 1% of the levy amount.
3. The Zone Reserve Adjustments, added or subtracted, equals the amount necessary to keep the assessment rate at or below the maximum allowable assessment rate for that year.
4. The Maximum Assessment Rate for 2025-26 is equal to the current year's Maximum Assessment Rate, plus 3% escalation for inflation. The actual escalation rate is detailed on page 58 of this Report, under Assessment Range Formula.
5. The Beginning Fund Balances shown on each Budget page includes the Zones Reserve amounts and are derived from Fiscal Year 2022-23 ending balances.

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2024-25		
Zone 1		
	Proposed Budget FY 2024-25	**Forecasted Budget FY 2025-26**
EXPENDITURES COSTS [1]		
Personnel - 5100	$12,786	$13,169
Contracted Services - 5200	$16,137	$16,621
Commodities - 5300	$35,710	$36,781
Internal Services - 5400	$7,205	$7,421
Other/Indirect - (5500 - 5900)	$2,962	$3,051
TOTAL EXPENDITURES COST	**$74,800**	**$77,044**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	($5,589)	$0
Zone Reserves Adjustment	($24,586)	($31,096)
General Fund - 101	$0	$0
Storm Drain Fund - 101	($522)	($522)
TOTAL ADJUSTMENTS	**($30,697)**	**($31,618)**
Balance to Levy	**$44,103**	**$45,426**
Total Revenue at Maximum Rate	**$44,103**	**$45,426**
Variance above/(below) Maximum Revenue	$0	($0)
DISTRICT STATISTICS		
Total Parcels	294	294
Total Parcels Levied	294	294
Total EDUs	617.00	617.00
Total EDUs Levied	617.00	617.00
Proposed Levy per EDU	**$71.48**	$73.62
Max Levy per EDU [3]	$71.48	$73.62
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$105,071	$80,485
Reserve Fund Adjustment	($24,586)	($31,096)
Projected Reserve Ending Fund Balance	**$80,485**	**$49,389**

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2024-25		
Zone 2		
	Proposed Budget FY 2024-25	**Forecasted Budget FY 2025-26**
EXPENDITURES COSTS [1]		
Personnel - 5100	$128	$132
Contracted Services - 5200	$34,972	$36,022
Commodities - 5300	$7	$7
Internal Services - 5400	$2,551	$2,628
Other/Indirect - (5500 - 5900)	$159	$163
TOTAL EXPENDITURES COST	**$37,817**	**$38,952**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	($13,041)	$0
Zone Reserves Adjustment	($11,441)	($25,215)
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**($24,482)**	**($25,215)**
Balance to Levy	**$13,335**	**$13,736**
Total Revenue at Maximum Rate	**$13,336**	**$13,736**
Variance above/(below) Maximum Revenue	($1)	$0
DISTRICT STATISTICS		
Total Parcels	125	125
Total Parcels Levied	125	125
Total EDUs	125.00	125.00
Total EDUs Levied	125.00	125.00
Proposed Levy per EDU	**$106.68**	$109.89
Max Levy per EDU [3]	$106.69	$109.89
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$18,933	$7,492
Reserve Fund Adjustment	($11,441)	($25,215)
Projected Reserve Ending Fund Balance	**$7,492**	**($17,723)**

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2024-25		
Zone 3		
	Proposed Budget FY 2024-25	**Forecasted Budget FY 2025-26**
EXPENDITURES COSTS [1]		
Personnel - 5100	$191,786	$197,539
Contracted Services - 5200	$142,784	$147,068
Commodities - 5300	$12,650	$13,030
Internal Services - 5400	$155,944	$160,622
Other/Indirect - (5500 - 5900)	$42,379	$43,650
TOTAL EXPENDITURES	**$545,543**	**$561,909**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	($45,730)	$0
Zone Reserves Adjustment	($41,944)	($90,348)
General Fund - 101	$0	$0
Storm Drain Fund - 101	($1,453)	($1,453)
TOTAL ADJUSTMENTS	**($89,127)**	**($91,801)**
Balance to Levy	**$456,416**	**$470,108**
Total Revenue at Maximum Rate	**$456,416**	**$470,108**
Variance above/(below) Maximum Revenue	$0	$0
DISTRICT STATISTICS		
Total Parcels	2,293	2,293
Total Parcels Levied	2,293	2,293
Total EDUs	2,878.87	2,878.87
Total EDUs Levied	2,878.87	2,878.87
Proposed Levy per EDU	**$158.54**	$163.30
Max Levy per EDU [3]	$158.54	$163.30
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$195,360	$153,416
Reserve Fund Adjustment	($41,944)	($90,348)
Projected Reserve Ending Fund Balance	**$153,416**	**$63,068**

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2024-25		
Zone 4		
	Proposed Budget FY 2024-25	**Forecasted Budget FY 2025-26**
EXPENDITURES COSTS 1		
Personnel - 5100	$1,662	$1,712
Contracted Services - 5200	$282	$291
Commodities - 5300	$92	$95
Internal Services - 5400	$718	$740
Other/Indirect - (5500 - 5900)	$414	$426
TOTAL EXPENDITURES COST	**$3,169**	**$3,264**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	($6)	$0
Zone Reserves Adjustment	$5,477	$5,635
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**$5,471**	**$5,635**
Balance to Levy	**$8,640**	**$8,899**
Total Revenue at Maximum Rate	**$22,830**	**$23,515**
Variance above/(below) Maximum Revenue	($14,190)	($14,615)
DISTRICT STATISTICS		
Total Parcels	144	144
Total Parcels Levied	144	144
Total EDUs	144.00	144.00
Total EDUs Levied	144.00	144.00
Proposed Levy per EDU	**$60.00**	$61.80
Max Levy per EDU [3]	$158.54	$163.30
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$15,339	$20,816
Reserve Fund Adjustment	$5,477	$5,635
Projected Reserve Ending Fund Balance	**$20,816**	**$26,452**

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2024-25		
Zone 5		
	Proposed Budget FY 2024-25	**Forecasted Budget FY 2025-26**
EXPENDITURES COSTS [1]		
Personnel - 5100	$0	$0
Contracted Services - 5200	$227	$234
Commodities - 5300	$0	$0
Internal Services - 5400	$0	$0
Other/Indirect - (5500 - 5900)	$0	$0
TOTAL EXPENDITURES COST	**$227**	**$234**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	$0	$0
Zone Reserves Adjustment	($227)	($234)
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**($227)**	**($234)**
Balance to Levy	**$0**	**$0**
Total Revenue at Maximum Rate	**$10,939**	**$11,267**
Variance above/(below) Maximum Revenue	($10,939)	($11,267)
DISTRICT STATISTICS		
Total Parcels	69	69
Total Parcels Levied	69	69
Total EDUs	69.00	69.00
Total EDUs Levied	69.00	69.00
Proposed Levy per EDU	**$0.00**	$0.00
Max Levy per EDU [3]	$158.54	$163.30
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$18,316	$18,089
Reserve Fund Adjustment	($227)	($234)
Projected Reserve Ending Fund Balance	**$18,089**	**$17,855**

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2024-25		
Zone 6		
	Proposed Budget FY 2024-25	**Forecasted Budget FY 2025-26**
EXPENDITURES COSTS [1]		
Personnel - 5100	$128	$132
Contracted Services - 5200	$1	$1
Commodities - 5300	$7	$7
Internal Services - 5400	$222	$229
Other/Indirect - (5500 - 5900)	$70	$72
TOTAL EXPENDITURES COST	**$428**	**$441**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	$0	$0
Zone Reserves Adjustment	$4,057	($441)
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**$4,057**	**($441)**
Balance to Levy	**$4,485**	**$0**
Total Revenue at Maximum Rate	**$7,111**	**$7,324**
Variance above/(below) Maximum Revenue	($2,626)	($7,324)
DISTRICT STATISTICS		
Total Parcels	2	2
Total Parcels Levied	2	2
Total EDUs	44.85	44.85
Total EDUs Levied	44.85	44.85
Proposed Levy per EDU	**$100.00**	$103.00
Max Levy per EDU [3]	$158.54	$163.30
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$12,338	$16,395
Reserve Fund Adjustment	$4,057	($441)
Projected Reserve Ending Fund Balance	**$16,395**	**$15,954**

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2024-25		
Zone 7		
	Proposed Budget FY 2024-25	**Forecasted Budget FY 2025-26**
EXPENDITURES COSTS [1]		
Personnel - 5100	$62,266	$64,134
Contracted Services - 5200	$154,570	$159,207
Commodities - 5300	$3,458	$3,562
Internal Services - 5400	$68,325	$70,375
Other/Indirect - (5500 - 5900)	$14,791	$15,235
TOTAL EXPENDITURES COST	**$303,410**	**$312,512**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	($89,780)	$0
Zone Reserves Adjustment	$39,566	($51,774)
General Fund - 101	$0	$0
Storm Drain Fund - 101	($1,807)	($1,807)
TOTAL ADJUSTMENTS	**($52,021)**	**($53,581)**
Balance to Levy	**$251,389**	**$258,931**
Total Revenue at Maximum Rate	**$251,389**	**$258,931**
Variance above/(below) Maximum Revenue	$0	$0
DISTRICT STATISTICS		
Total Parcels	1,171	1,171
Total Parcels Levied	1,171	1,171
Total EDUs	1,272.34	1,272.34
Total EDUs Levied	1,272.34	1,272.34
Proposed Levy per EDU	**$197.58**	$203.51
Max Levy per EDU [3]	$197.58	$203.51
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$112,444	$152,010
Reserve Fund Adjustment	$39,566	($51,774)
Projected Reserve Ending Fund Balance	**$152,010**	**$100,236**

City of Tracy
Consolidated Landscape Maintenance District
Proposed Budget for Fiscal Year 2024-25

Zone 8

	Proposed Budget FY 2024-25	Forecasted Budget FY 2025-26
EXPENDITURES COSTS [1]		
Personnel - 5100	$128	$132
Contracted Services - 5200	$39,364	$40,544
Commodities - 5300	$7	$7
Internal Services - 5400	$17,856	$18,392
Other/Indirect - (5500 - 5900)	$458	$472
TOTAL EXPENDITURES COST	**$57,813**	**$59,547**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	($30,582)	$0
Zone Reserves Adjustment	$18,123	($12,896)
General Fund - 101	$0	$0
Storm Drain Fund - 101	($2,084)	($2,084)
TOTAL ADJUSTMENTS	**($14,543)**	**($14,980)**
Balance to Levy	**$43,270**	**$44,568**
Total Revenue at Maximum Rate	**$43,270**	**$44,568**
Variance above/(below) Maximum Revenue	$0	$0
DISTRICT STATISTICS		
Total Parcels	219	219
Total Parcels Levied	219	219
Total EDUs	219.00	219.00
Total EDUs Levied	219.00	219.00
Proposed Levy per EDU	**$197.58**	$203.51
Max Levy per EDU [3]	$197.58	$203.51
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	($255,003)	($236,879)
Reserve Fund Adjustment	$18,123	($12,896)
Projected Reserve Ending Fund Balance	**($236,879)**	**($249,775)**

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2024-25		
Zone 9		
	Proposed Budget FY 2024-25	**Forecasted Budget FY 2025-26**
EXPENDITURES COSTS [1]		
Personnel - 5100	$42,321	$43,590
Contracted Services - 5200	$200,795	$206,818
Commodities - 5300	$2,350	$2,421
Internal Services - 5400	$181,057	$186,489
Other/Indirect - (5500 - 5900)	$12,676	$13,056
TOTAL EXPENDITURES COST	**$439,199**	**$452,375**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	($206,070)	$0
Zone Reserves Adjustment	$203,813	($2,413)
General Fund - 101	$0	$0
Storm Drain Fund - 101	($3,817)	($3,817)
TOTAL ADJUSTMENTS	**($6,074)**	**($6,231)**
Balance to Levy	**$433,125**	**$446,144**
Total Revenue at Maximum Rate	**$433,149**	**$446,144**
Variance above/(below) Maximum Revenue	($24)	$0
DISTRICT STATISTICS		
Total Parcels	2,369	2,369
Total Parcels Levied	2,369	2,369
Total EDUs	2,444.82	2,444.82
Total EDUs Levied	2,444.82	2,444.82
Proposed Levy per EDU	**$177.16**	$182.47
Max Levy per EDU [3]	$177.17	$182.49
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	($469,238)	($265,425)
Reserve Fund Adjustment	$203,813	($2,413)
Projected Reserve Ending Fund Balance	**($265,425)**	**($267,838)**

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2024-25		
Zone 10		
	Proposed Budget FY 2024-25	**Forecasted Budget FY 2025-26**
EXPENDITURES COSTS [1]		
Personnel - 5100	$51,143	$52,677
Contracted Services - 5200	$97,942	$100,880
Commodities - 5300	$2,840	$2,925
Internal Services - 5400	$40,613	$41,831
Other/Indirect - (5500 - 5900)	$12,397	$12,769
TOTAL EXPENDITURES COST	**$204,935**	**$211,083**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	($46,217)	$0
Zone Reserves Adjustment	$80,530	$35,127
General Fund - 101	$0	$0
Storm Drain Fund - 101	($7,927)	(7,927)
TOTAL ADJUSTMENTS	**$26,386**	**$27,201**
Balance to Levy	**$231,321**	**$238,283**
Total Revenue at Maximum Rate	**$231,343**	**$238,283**
Variance above/(below) Maximum Revenue	($22)	$0
DISTRICT STATISTICS		
Total Parcels	317	317
Total Parcels Levied	317	317
Total EDUs	2,193.45	2,193.45
Total EDUs Levied	2,193.45	2,193.45
Proposed Levy per EDU	**$105.46**	$108.62
Max Levy per EDU [3]	$105.47	$108.63
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	($69,374)	$11,156
Reserve Fund Adjustment	$80,530	$35,127
Projected Reserve Ending Fund Balance	**$11,156**	**$46,283**

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2024-25		
Zone 11		
	Proposed Budget FY 2024-25	**Forecasted Budget FY 2025-26**
EXPENDITURES COSTS [1]		
Personnel - 5100	$128	$132
Contracted Services - 5200	$1,481	$1,526
Commodities - 5300	$7	$7
Internal Services - 5400	$28	$29
Other/Indirect - (5500 - 5900)	$44	$46
TOTAL EXPENDITURES COST	**$1,689**	**$1,740**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	($489)	$0
Zone Reserves Adjustment	$714	$232
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**$225**	**$232**
Balance to Levy	**$1,914**	**$1,972**
Total Revenue at Maximum Rate	**$1,914**	**$1,972**
Variance above/(below) Maximum Revenue	($0)	$0
DISTRICT STATISTICS		
Total Parcels	1	1
Total Parcels Levied	1	1
Total EDUs	18.15	18.15
Total EDUs Levied	18.15	18.15
Proposed Levy per EDU	**$105.46**	$108.62
Max Levy per EDU [3]	$105.47	$108.63
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	($2,868)	($2,154)
Reserve Fund Adjustment	$714	$232
Projected Reserve Ending Fund Balance	**($2,154)**	**($1,922)**

City of Tracy
Consolidated Landscape Maintenance District
Proposed Budget for Fiscal Year 2024-25

Zone 12

	Proposed Budget FY 2024-25	Forecasted Budget FY 2025-26
EXPENDITURES COSTS [1]		
Personnel - 5100	$28,512	$29,368
Contracted Services - 5200	$52,157	$53,722
Commodities - 5300	$1,583	$1,631
Internal Services - 5400	$26,196	$26,982
Other/Indirect - (5500 - 5900)	$6,625	$6,824
TOTAL EXPENDITURES COST	**$115,074**	**$118,526**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	($41,064)	$0
Zone Reserves Adjustment	$26,317	($15,189)
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**($14,747)**	**($15,189)**
Balance to Levy	**$100,327**	**$103,337**
Total Revenue at Maximum Rate	**$151,383**	**$155,925**
Variance above/(below) Maximum Revenue	($51,056)	($52,588)
DISTRICT STATISTICS		
Total Parcels	103	103
Total Parcels Levied	103	103
Total EDUs	1,003.27	1,003.27
Total EDUs Levied	1,003.27	1,003.27
Proposed Levy per EDU	**$100.00**	$103.00
Max Levy per EDU [3]	$150.89	$155.42
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$229,928	$256,245
Reserve Fund Adjustment	$26,317	($15,189)
Projected Reserve Ending Fund Balance	**$256,245**	**$241,056**

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2024-25		
Zone 13		
	Proposed Budget FY 2024-25	**Forecasted Budget FY 2025-26**
EXPENDITURES COSTS [1]		
Personnel - 5100	$51,143	$52,677
Contracted Services - 5200	$80,846	$83,271
Commodities - 5300	$2,840	$2,925
Internal Services - 5400	$34,612	$35,650
Other/Indirect - (5500 - 5900)	$11,497	$11,842
TOTAL EXPENDITURES COST	**$180,938**	**$186,366**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	($1,292)	$0
Zone Reserves Adjustment	($38,337)	($40,814)
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**($39,629)**	**($40,814)**
Balance to Levy	**$141,309**	**$145,553**
Total Revenue at Maximum Rate	**$141,313**	**$145,553**
Variance above/(below) Maximum Revenue	($4)	$0
DISTRICT STATISTICS		
Total Parcels	418	418
Total Parcels Levied	418	418
Total EDUs	418.00	418.00
Total EDUs Levied	418.00	418.00
Proposed Levy per EDU	**$338.06**	$348.21
Max Levy per EDU [3]	$338.07	$348.21
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$559,465	$521,128
Reserve Fund Adjustment	($38,337)	($40,814)
Projected Reserve Ending Fund Balance	**$521,128**	**$480,314**

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2024-25		
Zone 14		
	Proposed Budget FY 2024-25	**Forecasted Budget FY 2025-26**
EXPENDITURES COSTS [1]		
Personnel - 5100	$26,211	$26,997
Contracted Services - 5200	$34,220	$35,247
Commodities - 5300	$1,456	$1,500
Internal Services - 5400	$23,598	$24,306
Other/Indirect - (5500 - 5900)	$5,856	$6,032
TOTAL EXPENDITURES COST	**$91,341**	**$94,081**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	($1,472)	$0
Zone Reserves Adjustment	($21,063)	($23,208)
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**($22,535)**	**($23,208)**
Balance to Levy	**$68,806**	**$70,874**
Total Revenue at Maximum Rate	**$68,809**	**$70,874**
Variance above/(below) Maximum Revenue	($4)	$0
DISTRICT STATISTICS		
Total Parcels	369	369
Total Parcels Levied	369	369
Total EDUs	371.00	371.00
Total EDUs Levied	371.00	371.00
Proposed Levy per EDU	**$185.46**	$191.02
Max Levy per EDU [3]	$185.47	$191.03
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$42,636	$21,573
Reserve Fund Adjustment	($21,063)	($23,208)
Projected Reserve Ending Fund Balance	**$21,573**	**($1,634)**

City of Tracy
Consolidated Landscape Maintenance District
Proposed Budget for Fiscal Year 2024-25

Zone 15

	Proposed Budget FY 2024-25	Forecasted Budget FY 2025-26
EXPENDITURES COSTS [1]		
Personnel - 5100	$65,974	$67,953
Contracted Services - 5200	$109,970	$113,269
Commodities - 5300	$3,664	$3,774
Internal Services - 5400	$107,479	$110,703
Other/Indirect - (5500 - 5900)	$15,625	$16,094
TOTAL EXPENDITURES COST	**$302,712**	**$311,793**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	($7,804)	$0
Zone Reserves Adjustment	($33,283)	($42,305)
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**($41,087)**	**($42,305)**
Balance to Levy	**$261,625**	**$269,488**
Total Revenue at Maximum Rate	**$261,639**	**$269,488**
Variance above/(below) Maximum Revenue	($14)	$0
DISTRICT STATISTICS		
Total Parcels	1,209	1,209
Total Parcels Levied	1,209	1,209
Total EDUs	1,410.68	1,410.68
Total EDUs Levied	1,410.68	1,410.68
Proposed Levy per EDU	**$185.46**	$191.02
Max Levy per EDU [3]	$185.47	$191.03
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$110,272	$76,989
Reserve Fund Adjustment	($33,283)	($42,305)
Projected Reserve Ending Fund Balance	**$76,989**	**$34,683**

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2024-25		
Zone 16		
	Proposed Budget FY 2024-25	**Forecasted Budget FY 2025-26**
EXPENDITURES COSTS [1]		
Personnel - 5100	$8,694	$8,955
Contracted Services - 5200	$22,267	$22,935
Commodities - 5300	$483	$497
Internal Services - 5400	$21,172	$21,807
Other/Indirect - (5500 - 5900)	$2,289	$2,358
TOTAL EXPENDITURES COST	**$54,905**	**$56,552**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	($1,690)	$0
Zone Reserves Adjustment	$4,277	$2,668
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**$2,587**	**$2,668**
Balance to Levy	**$57,493**	**$59,221**
Total Revenue at Maximum Rate	**$57,496**	**$59,221**
Variance above/(below) Maximum Revenue	($3)	$0
DISTRICT STATISTICS		
Total Parcels	310	310
Total Parcels Levied	310	310
Total EDUs	310.00	310.00
Total EDUs Levied	310.00	310.00
Proposed Levy per EDU	**$185.46**	$191.02
Max Levy per EDU [3]	$185.47	$191.03
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$142,478	$146,755
Reserve Fund Adjustment	$4,277	$2,668
Projected Reserve Ending Fund Balance	**$146,755**	**$149,424**

City of Tracy
Consolidated Landscape Maintenance District
Proposed Budget for Fiscal Year 2024-25

Zone 17

	Proposed Budget FY 2024-25	Forecasted Budget FY 2025-26
EXPENDITURES COSTS [1]		
Personnel - 5100	$383,572	$395,079
Contracted Services - 5200	$116,256	$119,744
Commodities - 5300	$218,200	$224,746
Internal Services - 5400	$128,497	$132,352
Other/Indirect - (5500 - 5900)	$78,929	$81,297
TOTAL EXPENDITURES COST	**$925,454**	**$953,217**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	($55,487)	$0
Zone Reserves Adjustment	($540,020)	($613,357)
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**($595,507)**	**($613,357)**
Balance to Levy	**$329,947**	**$339,861**
Total Revenue at Maximum Rate	**$329,962**	**$339,861**
Variance above/(below) Maximum Revenue	($15)	$0
DISTRICT STATISTICS		
Total Parcels	1,129	1,129
Total Parcels Levied	1,129	1,129
Total EDUs	1,542.96	1,542.96
Total EDUs Levied	1,542.96	1,542.96
Proposed Levy per EDU	**$213.84**	$220.26
Max Levy per EDU [3]	$213.85	$220.27
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$1,176,620	$636,599
Reserve Fund Adjustment	($540,020)	($613,357)
Projected Reserve Ending Fund Balance	**$636,599**	**$23,243**

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2024-25		
Zone 18		
	Proposed Budget FY 2024-25	**Forecasted Budget FY 2025-26**
EXPENDITURES COSTS [1]		
Personnel - 5100	$22,631	$23,310
Contracted Services - 5200	$123,216	$126,912
Commodities - 5300	$1,257	$1,295
Internal Services - 5400	$18,102	$18,645
Other/Indirect - (5500 - 5900)	$5,753	$5,926
TOTAL EXPENDITURES COST	**$170,959**	**$176,088**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	($69,220)	$0
Zone Reserves Adjustment	$27,370	($43,106)
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**($41,850)**	**($43,106)**
Balance to Levy	**$129,108**	**$132,982**
Total Revenue at Maximum Rate	**$129,108**	**$132,982**
Variance above/(below) Maximum Revenue	$0	$0
DISTRICT STATISTICS		
Total Parcels	968	968
Total Parcels Levied	968	968
Total EDUs	977.65	977.65
Total EDUs Levied	977.65	977.65
Proposed Levy per EDU	**$132.06**	$136.02
Max Levy per EDU [3]	$132.06	$136.02
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$247,887	$275,257
Reserve Fund Adjustment	$27,370	($43,106)
Projected Reserve Ending Fund Balance	**$275,257**	**$232,151**

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2024-25		
Zone 19		
	Proposed Budget FY 2024-25	**Forecasted Budget FY 2025-26**
EXPENDITURES COSTS [1]		
Personnel - 5100	$49,225	$50,702
Contracted Services - 5200	$94,986	$97,836
Commodities - 5300	$2,734	$2,816
Internal Services - 5400	$43,080	$44,372
Other/Indirect - (5500-5900)	$11,508	$11,853
TOTAL EXPENDITURES COST	**$201,533**	**$207,579**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	($4,614)	$0
Zone Reserves Adjustment	($16,677)	($21,922)
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**($21,291)**	**($21,922)**
Balance to Levy	**$180,242**	**$185,657**
Total Revenue at Maximum Rate	**$180,249**	**$185,657**
Variance above/(below) Maximum Revenue	($7)	$0
DISTRICT STATISTICS		
Total Parcels	507	507
Total Parcels Levied	507	507
Total EDUs	743.51	743.51
Total EDUs Levied	743.51	743.51
Proposed Levy per EDU	**$242.42**	$249.70
Max Levy per EDU [3]	$242.43	$249.70
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$689,426	$672,749
Reserve Fund Adjustment	($16,677)	($21,922)
Projected Reserve Ending Fund Balance	**$672,749**	**$650,826**

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2024-25		
Zone 20		
	Proposed Budget FY 2024-25	**Forecasted Budget FY 2025-26**
EXPENDITURES COSTS [1]		
Personnel - 5100	$10,996	$11,326
Contracted Services - 5200	$10,772	$11,095
Commodities - 5300	$611	$629
Internal Services - 5400	$9,612	$9,900
Other/Indirect - (5500 - 5900)	$2,517	$2,593
TOTAL EXPENDITURES COST	**$34,508**	**$35,543**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	($1,787)	$0
Zone Reserves Adjustment	$2,191	$4,709
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**$404**	**$4,709**
Balance to Levy	**$34,912**	**$35,959**
Total Revenue at Maximum Rate	**$42,319**	**$43,588**
Variance above/(below) Maximum Revenue	($7,407)	($7,629)
DISTRICT STATISTICS		
Total Parcels	168	168
Total Parcels Levied	168	168
Total EDUs	174.56	174.56
Total EDUs Levied	174.56	174.56
Proposed Levy per EDU	**$200.00**	$206.00
Max Levy per EDU [3]	$242.43	$249.70
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$149,119	$151,310
Reserve Fund Adjustment	$2,191	$4,709
Projected Reserve Ending Fund Balance	**$151,310**	**$156,019**

City of Tracy
Consolidated Landscape Maintenance District
Proposed Budget for Fiscal Year 2024-25

Zone 21

	Proposed Budget FY 2024-25	Forecasted Budget FY 2025-26
EXPENDITURES COSTS [1]		
Personnel - 5100	$11,763	$12,116
Contracted Services - 5200	$30,766	$31,689
Commodities - 5300	$653	$673
Internal Services - 5400	$26,475	$27,269
Other/Indirect - (5500 - 5900)	$3,039	$3,130
TOTAL EXPENDITURES COST	**$72,696**	**$74,877**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	($1,690)	$0
Zone Reserves Adjustment	$952	($756)
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**($738)**	**($756)**
Balance to Levy	**$71,958**	**$74,121**
Total Revenue at Maximum Rate	**$71,962**	**$74,121**
Variance above/(below) Maximum Revenue	($4)	$0
DISTRICT STATISTICS		
Total Parcels	388	388
Total Parcels Levied	388	388
Total EDUs	388.00	388.00
Total EDUs Levied	388.00	388.00
Proposed Levy per EDU	**$185.46**	$191.02
Max Levy per EDU [3]	$185.47	$191.03
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$70,482	$71,434
Reserve Fund Adjustment	$952	($756)
Projected Reserve Ending Fund Balance	**$71,434**	**$70,678**

City of Tracy
Consolidated Landscape Maintenance District
Proposed Budget for Fiscal Year 2024-25

Zone 22

	Proposed Budget FY 2024-25	Forecasted Budget FY 2025-26
EXPENDITURES COSTS [1]		
Personnel - 5100	$12,786	$13,169
Contracted Services - 5200	$9,686	$9,976
Commodities - 5300	$710	$731
Internal Services - 5400	$3,557	$3,664
Other/Indirect - (5500 - 5900)	$2,918	$3,006
TOTAL EXPENDITURES COST	**$29,657**	**$30,546**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	($1,615)	$0
Zone Reserves Adjustment	$11,647	$10,335
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**$10,032**	**$10,335**
Balance to Levy	**$39,688**	**$40,881**
Total Revenue at Maximum Rate	**$39,691**	**$40,881**
Variance above/(below) Maximum Revenue	($2)	$0
DISTRICT STATISTICS		
Total Parcels	214	214
Total Parcels Levied	214	214
Total EDUs	214.00	214.00
Total EDUs Levied	214.00	214.00
Proposed Levy per EDU	**$185.46**	$191.03
Max Levy per EDU [3]	$185.47	$191.03
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$96,526	$108,173
Reserve Fund Adjustment	$11,647	$10,335
Projected Reserve Ending Fund Balance	**$108,173**	**$118,508**

City of Tracy
Consolidated Landscape Maintenance District
Proposed Budget for Fiscal Year 2024-25

Zone 23

	Proposed Budget FY 2024-25	Forecasted Budget FY 2025-26
EXPENDITURES COSTS [1]		
Personnel - 5100	$11,507	$11,852
Contracted Services - 5200	$21,370	$22,011
Commodities - 5300	$639	$658
Internal Services - 5400	$8,354	$8,604
Other/Indirect - (5500 - 5900)	$2,942	$3,031
TOTAL EXPENDITURES COST	**$44,812**	**$46,156**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	($7,345)	$0
Zone Reserves Adjustment	$29,855	$23,189
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**$22,510**	**$23,189**
Balance to Levy	**$67,322**	**$69,345**
Total Revenue at Maximum Rate	**$67,326**	**$69,345**
Variance above/(below) Maximum Revenue	($4)	$0
DISTRICT STATISTICS		
Total Parcels	363	363
Total Parcels Levied	363	363
Total EDUs	363.00	363.00
Total EDUs Levied	363.00	363.00
Proposed Levy per EDU	**$185.46**	$191.02
Max Levy per EDU [3]	$185.47	$191.03
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$190,233	$220,088
Reserve Fund Adjustment	$29,855	$23,189
Projected Reserve Ending Fund Balance	**$220,088**	**$243,277**

City of Tracy
Consolidated Landscape Maintenance District
Proposed Budget for Fiscal Year 2024-25

Zone 24

	Proposed Budget FY 2024-25	Forecasted Budget FY 2025-26
EXPENDITURES COSTS [1]		
Personnel - 5100	$33,754	$34,767
Contracted Services - 5200	$36,710	$37,812
Commodities - 5300	$1,874	$1,931
Internal Services - 5400	$26,614	$27,412
Other/Indirect - (5500 - 5900)	$7,768	$8,001
TOTAL EXPENDITURES COST	**$106,721**	**$109,923**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	$0	$0
Zone Reserves Adjustment	$4,543	$4,685
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**$4,543**	**$4,685**
Balance to Levy	**$111,264**	**$114,608**
Total Revenue at Maximum Rate	**$111,264**	**$114,602**
Variance above/(below) Maximum Revenue	$0	$6
DISTRICT STATISTICS		
Total Parcels	600	600
Total Parcels Levied	600	600
Total EDUs	600.00	600.00
Total EDUs Levied	600.00	600.00
Proposed Levy per EDU	**$185.44**	$191.01
Max Levy per EDU [3]	$185.44	$191.00
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$399,157	$403,700
Reserve Fund Adjustment	$4,543	$4,685
Projected Reserve Ending Fund Balance	**$403,700**	**$408,385**

City of Tracy
Consolidated Landscape Maintenance District
Proposed Budget for Fiscal Year 2024-25

Zone 25

	Proposed Budget FY 2024-25	Forecasted Budget FY 2025-26
EXPENDITURES COSTS [1]		
Personnel - 5100	$0	$0
Contracted Services - 5200	$0	$0
Commodities - 5300	$0	$0
Internal Services - 5400	$0	$0
Other/Indirect - (5500 - 5900)	$0	$0
TOTAL EXPENDITURES COST	**$0**	**$0**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	$0	$0
Zone Reserves Adjustment	$0	$0
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**$0**	**$0**
Balance to Levy	**$0**	**$0**
Total Revenue at Maximum Rate	**$0**	**$0**
Variance above/(below) Maximum Revenue	$0	$0
DISTRICT STATISTICS		
Total Parcels	438	438
Total Parcels Levied	0	0
Total EDUs	438.00	438.00
Total EDUs Levied	0.00	0.00
Proposed Levy per EDU	**$0.00**	$0.00
Max Levy per EDU [3]	$0.00	$0.00
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$0	$0
Reserve Fund Adjustment	$0	$0
Projected Reserve Ending Fund Balance	**$0**	**$0**

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2024-25		
Zone 26		
	Proposed Budget FY 2024-25	**Forecasted Budget FY 2025-26**
EXPENDITURES COSTS [1]		
Personnel - 5100	$59,965	$61,764
Contracted Services - 5200	$217,590	$224,118
Commodities - 5300	$3,330	$3,430
Internal Services - 5400	$62,996	$64,886
Other/Indirect - (5500 - 5900)	$14,521	$14,957
TOTAL EXPENDITURES COST	**$358,402**	**$369,154**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	($15,385)	$0
Zone Reserves Adjustment	($70,918)	($88,881)
General Fund - 101	$0	$0
Storm Drain Fund - 101	($2,390)	($2,462)
TOTAL ADJUSTMENTS	**($88,693)**	**($91,343)**
Balance to Levy	**$269,708**	**$277,811**
Total Revenue at Maximum Rate	**$269,720**	**$277,811**
Variance above/(below) Maximum Revenue	($11)	$0
DISTRICT STATISTICS		
Total Parcels	1,130	1,130
Total Parcels Levied	1,130	1,130
Total EDUs	1,130.00	1,130.00
Total EDUs Levied	1,130.00	1,130.00
Proposed Levy per EDU	**$238.68**	$245.85
Max Levy per EDU [3]	$238.69	$245.85
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$332,108	$261,190
Reserve Fund Adjustment	($70,918)	($88,881)
Projected Reserve Ending Fund Balance	**$261,190**	**$172,308**

City of Tracy
Consolidated Landscape Maintenance District
Proposed Budget for Fiscal Year 2024-25

Zone 27

	Proposed Budget FY 2024-25	Forecasted Budget FY 2025-26
EXPENDITURES COSTS [1]		
Personnel - 5100	$639	$658
Contracted Services - 5200	$7,808	$8,042
Commodities - 5300	$36	$37
Internal Services - 5400	$3,089	$3,182
Other/Indirect - (5500 - 5900)	$291	$300
TOTAL EXPENDITURES COST	**$11,863**	**$12,219**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	$0	$0
Zone Reserves Adjustment	$4,602	$4,740
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**$4,602**	**$4,740**
Balance to Levy	**$16,465**	**$16,959**
Total Revenue at Maximum Rate	**$101,793**	**$104,847**
Variance above/(below) Maximum Revenue	($85,328)	($87,888)
DISTRICT STATISTICS		
Total Parcels	116	116
Total Parcels Levied	116	116
Total EDUs	548.84	548.84
Total EDUs Levied	548.84	548.84
Proposed Levy per EDU	**$30.00**	$30.90
Max Levy per EDU [3]	$185.47	$191.03
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$78,856	$83,458
Reserve Fund Adjustment	$4,602	$4,740
Projected Reserve Ending Fund Balance	**$83,458**	**$88,198**

City of Tracy
Consolidated Landscape Maintenance District
Proposed Budget for Fiscal Year 2024-25

Zone 28

	Proposed Budget FY 2024-25	Forecasted Budget FY 2025-26
EXPENDITURES COSTS [1]		
Personnel - 5100	$60,860	$62,686
Contracted Services - 5200	$53,306	$54,905
Commodities - 5300	$46,380	$47,771
Internal Services - 5400	$19,846	$20,442
Other/Indirect - (5500 - 5900)	$13,020	$13,411
TOTAL EXPENDITURES COST	**$193,412**	**$199,214**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	$0	$0
Zone Reserves Adjustment	($91,409)	($94,145)
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**($91,409)**	**($94,145)**
Balance to Levy	**$102,003**	**$105,069**
Total Revenue at Maximum Rate	**$102,009**	**$105,069**
Variance above/(below) Maximum Revenue	($6)	$0
DISTRICT STATISTICS		
Total Parcels	550	550
Total Parcels Levied	550	550
Total EDUs	550.00	550.00
Total EDUs Levied	550.00	550.00
Proposed Levy per EDU	**$185.46**	$191.02
Max Levy per EDU [3]	$185.47	$191.03
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$430,156	$338,747
Reserve Fund Adjustment	($91,409)	($94,145)
Projected Reserve Ending Fund Balance	**$338,747**	**$244,602**

City of Tracy
Consolidated Landscape Maintenance District
Proposed Budget for Fiscal Year 2024-25

Zone 29

	Proposed Budget FY 2024-25	Forecasted Budget FY 2025-26
EXPENDITURES COSTS [1]		
Personnel - 5100	$128	$132
Contracted Services - 5200	$44,480	$45,814
Commodities - 5300	$7	$7
Internal Services - 5400	$15,298	$15,757
Other/Indirect - (5500 - 5900)	$897	$924
TOTAL EXPENDITURES COST	**$60,810**	**$62,635**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	($29,483)	$0
Zone Reserves Adjustment	$55,850	$27,163
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**$26,367**	**$27,163**
Balance to Levy	**$87,177**	**$89,797**
Total Revenue at Maximum Rate	**$87,182**	**$89,797**
Variance above/(below) Maximum Revenue	($5)	$0
DISTRICT STATISTICS		
Total Parcels	496	496
Total Parcels Levied	496	496
Total EDUs	496.00	496.00
Total EDUs Levied	496.00	496.00
Proposed Levy per EDU	**$175.76**	$181.03
Max Levy per EDU [3]	$175.77	$181.04
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	($4,289)	$51,561
Reserve Fund Adjustment	$55,850	$27,163
Projected Reserve Ending Fund Balance	**$51,561**	**$78,724**

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2024-25		
Zone 30		
	Proposed Budget FY 2024-25	**Forecasted Budget FY 2025-26**
EXPENDITURES COSTS [1]		
Personnel - 5100	$13,553	$13,959
Contracted Services - 5200	$28,029	$28,870
Commodities - 5300	$753	$775
Internal Services - 5400	$20,202	$20,808
Other/Indirect - (5500 - 5900)	$3,276	$3,374
TOTAL EXPENDITURES COST	**$65,813**	**$67,787**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	($6,335)	$0
Zone Reserves Adjustment	$943	($5,554)
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**($5,392)**	**($5,554)**
Balance to Levy	**$60,421**	**$62,233**
Total Revenue at Maximum Rate	**$60,421**	**$62,233**
Variance above/(below) Maximum Revenue	$0	$0
DISTRICT STATISTICS		
Total Parcels	166	166
Total Parcels Levied	166	166
Total EDUs	166.00	166.00
Total EDUs Levied	166.00	166.00
Proposed Levy per EDU	**$363.98**	$374.91
Max Levy per EDU [3]	$363.98	$374.90
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$232,570	$233,513
Reserve Fund Adjustment	$943	($5,554)
Projected Reserve Ending Fund Balance	**$233,513**	**$227,959**

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2024-25		
Zone 31		
	Proposed Budget FY 2024-25	**Forecasted Budget FY 2025-26**
EXPENDITURES COSTS [1]		
Personnel - 5100	$0	$0
Contracted Services - 5200	$0	$0
Commodities - 5300	$0	$0
Internal Services - 5400	$0	$0
Other/Indirect - (5500 - 5900)	$0	$0
TOTAL EXPENDITURES COST	**$0**	**$0**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	$0	$0
Zone Reserves Adjustment	$0	$0
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**$0**	**$0**
Balance to Levy	**$0**	**$0**
Total Revenue at Maximum Rate	**$6,823**	**$7,027**
Variance above/(below) Maximum Revenue	($6,823)	($7,027)
DISTRICT STATISTICS		
Total Parcels	1	1
Total Parcels Levied	0	0
Total EDUs	27.75	27.75
Total EDUs Levied	0.00	0.00
Proposed Levy per EDU	**$0.00**	$0.00
Max Levy per EDU [3]	$245.86	$253.24
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$568	$568
Reserve Fund Adjustment	$0	$0
Projected Reserve Ending Fund Balance	**$568**	**$568**

City of Tracy
Consolidated Landscape Maintenance District
Proposed Budget for Fiscal Year 2024-25

Zone 32

	Proposed Budget FY 2024-25	Forecasted Budget FY 2025-26
EXPENDITURES COSTS [1]		
Personnel - 5100	$0	$0
Contracted Services - 5200	$0	$0
Commodities - 5300	$0	$0
Internal Services - 5400	$0	$0
Other/Indirect - (5500 - 5900)	$0	$0
TOTAL EXPENDITURES COST	**$0**	**$0**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	$0	$0
Zone Reserves Adjustment	$0	$0
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**$0**	**$0**
Balance to Levy	**$0**	**$0**
Total Revenue at Maximum Rate	**$44,837**	**$46,182**
Variance above/(below) Maximum Revenue	($44,837)	($46,182)
DISTRICT STATISTICS		
Total Parcels	2	2
Total Parcels Levied	0	0
Total EDUs	222.68	222.68
Total EDUs Levied	0.00	0.00
Proposed Levy per EDU	**$0.00**	$0.00
Max Levy per EDU [3]	$201.35	$207.39
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$0	$0
Reserve Fund Adjustment	$0	$0
Projected Reserve Ending Fund Balance	**$0**	**$0**

City of Tracy
Consolidated Landscape Maintenance District
Proposed Budget for Fiscal Year 2024-25

Zone 33

	Proposed Budget FY 2024-25	Forecasted Budget FY 2025-26
EXPENDITURES COSTS [1]		
Personnel - 5100	$12,786	$13,169
Contracted Services - 5200	$5,423	$5,585
Commodities - 5300	$710	$731
Internal Services - 5400	$8,783	$9,046
Other/Indirect - (5500 - 5900)	$2,521	$2,597
TOTAL EXPENDITURES COST	**$30,222**	**$31,129**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	($3,079)	$0
Zone Reserves Adjustment	($27,143)	($31,129)
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**($30,222)**	**($31,129)**
Balance to Levy	**$0**	**$0**
Total Revenue at Maximum Rate	**$664,244**	**$684,171**
Variance above/(below) Maximum Revenue	($664,244)	($684,171)
DISTRICT STATISTICS		
Total Parcels	35	35
Total Parcels Levied	33	33
Total EDUs	2,715.41	2,715.41
Total EDUs Levied	2,715.41	2,715.41
Proposed Levy per EDU	**$0.00**	$0.00
Max Levy per EDU [3]	$244.62	$251.96
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$729,699	$702,556
Reserve Fund Adjustment	($27,143)	($31,129)
Projected Reserve Ending Fund Balance	**$702,556**	**$671,427**

City of Tracy
Consolidated Landscape Maintenance District
Proposed Budget for Fiscal Year 2024-25

Zone 34

	Proposed Budget FY 2024-25	Forecasted Budget FY 2025-26
EXPENDITURES COSTS [1]		
Personnel - 5100	$6,393	$6,585
Contracted Services - 5200	$12,014	$12,374
Commodities - 5300	$355	$366
Internal Services - 5400	$2,472	$2,546
Other/Indirect - (5500 - 5900)	$1,495	$1,540
TOTAL EXPENDITURES COST	**$22,729**	**$23,410**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	($12,651)	$0
Zone Reserves Adjustment	$13,401	$773
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**$750**	**$773**
Balance to Levy	**$23,479**	**$24,183**
Total Revenue at Maximum Rate	**$23,479**	**$24,183**
Variance above/(below) Maximum Revenue	$0	$0
DISTRICT STATISTICS		
Total Parcels	9	9
Total Parcels Levied	9	9
Total EDUs	84.10	84.10
Total EDUs Levied	84.10	84.10
Proposed Levy per EDU	**$279.18**	$287.56
Max Levy per EDU [3]	$279.18	$287.56
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	($2,345)	$11,056
Reserve Fund Adjustment	$13,401	$773
Projected Reserve Ending Fund Balance	**$11,056**	**$11,829**

City of Tracy
Consolidated Landscape Maintenance District
Proposed Budget for Fiscal Year 2024-25

Zone 35

	Proposed Budget FY 2024-25	Forecasted Budget FY 2025-26
EXPENDITURES COSTS [1]		
Personnel - 5100	$38,357	$39,508
Contracted Services - 5200	$14,762	$15,205
Commodities - 5300	$2,130	$2,194
Internal Services - 5400	$23,407	$24,109
Other/Indirect - (5500 - 5900)	$8,444	$8,697
TOTAL EXPENDITURES COST	**$87,100**	**$89,713**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	($3,661)	$0
Zone Reserves Adjustment	$4,649	$1,021
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**$988**	**$1,021**
Balance to Levy	**$88,088**	**$90,734**
Total Revenue at Maximum Rate	**$88,091**	**$90,734**
Variance above/(below) Maximum Revenue	($3)	$0
DISTRICT STATISTICS		
Total Parcels	190	190
Total Parcels Levied	190	190
Total EDUs	313.08	313.08
Total EDUs Levied	313.08	313.08
Proposed Levy per EDU	**$281.36**	$289.79
Max Levy per EDU [3]	$281.37	$289.81
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$67,011	$71,660
Reserve Fund Adjustment	$4,649	$1,021
Projected Reserve Ending Fund Balance	**$71,660**	**$72,681**

City of Tracy
Consolidated Landscape Maintenance District
Proposed Budget for Fiscal Year 2024-25

Zone 36

	Proposed Budget FY 2024-25	Forecasted Budget FY 2025-26
EXPENDITURES COSTS [1]		
Personnel - 5100	$0	$0
Contracted Services - 5200	$0	$0
Commodities - 5300	$0	$0
Internal Services - 5400	$25	$26
Other/Indirect - (5500 - 5900)	$0	$0
TOTAL EXPENDITURES COST	**$25**	**$26**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	$0	$0
Zone Reserves Adjustment	($25)	$0
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**($25)**	**$0**
Balance to Levy	**$0**	**$26**
Total Revenue at Maximum Rate	**$7,594**	**$7,822**
Variance above/(below) Maximum Revenue	($7,594)	($7,796)
DISTRICT STATISTICS		
Total Parcels	1	1
Total Parcels Levied	0	0
Total EDUs	72.00	72.00
Total EDUs Levied	0.00	0.00
Proposed Levy per EDU	**$0.00**	$0.00
Max Levy per EDU [3]	$105.47	$108.63
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$2,144	$2,119
Reserve Fund Adjustment	($25)	$0
Projected Reserve Ending Fund Balance	**$2,119**	**$2,119**

City of Tracy
Consolidated Landscape Maintenance District
Proposed Budget for Fiscal Year 2024-25

Zone 37

	Proposed Budget FY 2024-25	Forecasted Budget FY 2025-26
EXPENDITURES COSTS [1]		
Personnel - 5100	$0	$0
Contracted Services - 5200	$0	$0
Commodities - 5300	$0	$0
Internal Services - 5400	$0	$0
Other/Indirect - (5500 - 5900)	$0	$0
TOTAL EXPENDITURES COST	**$0**	**$0**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	$0	$0
Zone Reserves Adjustment	$0	$0
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**$0**	**$0**
Balance to Levy	**$0**	**$0**
Total Revenue at Maximum Rate	**$8,016**	**$8,256**
Variance above/(below) Maximum Revenue	($8,016)	($8,256)
DISTRICT STATISTICS		
Total Parcels	10	10
Total Parcels Levied	0	0
Total EDUs	76.00	76.00
Total EDUs Levied	0.00	0.00
Proposed Levy per EDU	**$0.00**	$0.00
Max Levy per EDU [3]	$105.47	$108.63
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$4,822	$4,822
Reserve Fund Adjustment	$0	$0
Projected Reserve Ending Fund Balance	**$4,822**	**$4,822**

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2024-25		
Zone 40		
	Proposed Budget FY 2024-25	**Forecasted Budget FY 2025-26**
EXPENDITURES COSTS [1]		
Personnel - 5100	$128	$132
Contracted Services - 5200	$7,241	$7,458
Commodities - 5300	$7	$7
Internal Services - 5400	$29	$30
Other/Indirect - (5500 - 5900)	$74	$76
TOTAL EXPENDITURES COST	**$7,479**	**$7,704**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	($13,013)	$0
Zone Reserves Adjustment	$10,379	($2,713)
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**($2,634)**	**($2,713)**
Balance to Levy	**$4,845**	**$4,991**
Total Revenue at Maximum Rate	**$4,846**	**$4,991**
Variance above/(below) Maximum Revenue	($0)	$0
DISTRICT STATISTICS		
Total Parcels	1	1
Total Parcels Levied	1	1
Total EDUs	9.00	9.00
Total EDUs Levied	9.00	9.00
Proposed Levy per EDU	**$538.38**	$554.53
Max Levy per EDU [3]	$538.39	$554.54
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	($24,371)	($13,992)
Reserve Fund Adjustment	$10,379	($2,713)
Projected Reserve Ending Fund Balance	**($13,992)**	**($16,705)**

City of Tracy Consolidated Landscape Maintenance District Proposed Budget for Fiscal Year 2024-25		
Zone 41		
	Proposed Budget FY 2024-25	**Forecasted Budget FY 2025-26**
EXPENDITURES COSTS [1]		
Personnel - 5100	$128	$132
Contracted Services - 5200	$1,558	$1,605
Commodities - 5300	$7	$7
Internal Services - 5400	$28	$29
Other/Indirect - (5500 - 5900)	$44	$46
TOTAL EXPENDITURES COST	**$1,766**	**$1,819**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	($978)	$0
Zone Reserves Adjustment	$1,138	$165
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**$160**	**$165**
Balance to Levy	**$1,926**	**$1,984**
Total Revenue at Maximum Rate	**$1,926**	**$1,984**
Variance above/(below) Maximum Revenue	($0)	$0
DISTRICT STATISTICS		
Total Parcels	1	1
Total Parcels Levied	1	1
Total EDUs	4.15	4.15
Total EDUs Levied	4.15	4.15
Proposed Levy per EDU	**$464.18**	$478.12
Max Levy per EDU [3]	$464.19	$478.12
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$8,011	$9,149
Reserve Fund Adjustment	$1,138	$165
Projected Reserve Ending Fund Balance	**$9,149**	**$9,314**

City of Tracy
Consolidated Landscape Maintenance District
Proposed Budget for Fiscal Year 2024-25

Zone 42

	Proposed Budget FY 2024-25	Forecasted Budget FY 2025-26
EXPENDITURES COSTS [1]		
Personnel - 5100	$3,836	$3,951
Contracted Services - 5200	$4,436	$4,569
Commodities - 5300	$213	$219
Internal Services - 5400	$2,989	$3,078
Other/Indirect - (5500 - 5900)	$955	$984
TOTAL EXPENDITURES COST	**$12,428**	**$12,801**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	($1,888)	$0
Zone Reserves Adjustment	$9,305	$7,640
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**$7,417**	**$7,640**
Balance to Levy	**$19,845**	**$20,440**
Total Revenue at Maximum Rate	**$31,276**	**$32,214**
Variance above/(below) Maximum Revenue	($11,431)	($11,774)
DISTRICT STATISTICS		
Total Parcels	2	2
Total Parcels Levied	2	2
Total EDUs	441.00	441.00
Total EDUs Levied	441.00	441.00
Proposed Levy per EDU	**$45.00**	$46.35
Max Levy per EDU [3]	$70.92	$73.05
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$69,370	$78,675
Reserve Fund Adjustment	$9,305	$7,640
Projected Reserve Ending Fund Balance	**$78,675**	**$86,315**

City of Tracy
Consolidated Landscape Maintenance District
Proposed Budget for Fiscal Year 2024-25

Zone 43

	Proposed Budget FY 2024-25	Forecasted Budget FY 2025-26
EXPENDITURES COSTS [1]		
Personnel - 5100	$2,557	$2,634
Contracted Services - 5200	$3,124	$3,218
Commodities - 5300	$142	$146
Internal Services - 5400	$570	$587
Other/Indirect - (5500 - 5900)	$609	$627
TOTAL EXPENDITURES COST	**$7,002**	**$7,212**
LEVY ADJUSTMENTS [2]		
GF - Capital Improvement Projects	$0	$0
Zone Reserves Adjustment	$3,498	$3,603
General Fund - 101	$0	$0
Storm Drain Fund - 101	$0	$0
TOTAL ADJUSTMENTS	**$3,498**	**$3,603**
Balance to Levy	**$10,500**	**$10,815**
Total Revenue at Maximum Rate	**$24,794**	**$25,537**
Variance above/(below) Maximum Revenue	($14,294)	($14,722)
DISTRICT STATISTICS		
Total Parcels	105	105
Total Parcels Levied	105	105
Total EDUs	105.00	105.00
Total EDUs Levied	105.00	105.00
Proposed Levy per EDU	**$100.00**	$103.00
Max Levy per EDU [3]	$236.13	$243.21
FUND BALANCE INFORMATION		
Reserve Fund		
Beginning Fund Balance Fiscal Year 2023/24	$46,772	$50,270
Reserve Fund Adjustment	$3,498	$3,603
Projected Reserve Ending Fund Balance	**$50,270**	**$53,873**

PART III – QUANTIFICATION OF BENEFIT

The Act allows cities to establish benefit zones for the purpose of providing certain public improvements which provide a special benefit to the parcels. This includes the construction, maintenance, and servicing of street lights, traffic signals, and landscaping facilities. Section 22573 of the Act requires that maintenance assessments be levied according to benefit rather than according to the assessed value of property. This section states:

> ***The net amount to be assessed upon lands within an assessment district may be apportioned by any formula or method which fairly distributes the net amount among all assessable lots or parcels in proportion to the estimated benefits to be received by each such lot or parcel from the improvements.***
>
> — Streets and Highways Code Section 22573

Section 22574 of the Act permits the designation of zones of benefit within any individual assessment district if "by reason of variations in the nature, location, and extent of the improvements, the various areas will receive different degrees of benefit from the improvements."

In addition, Proposition 218, the "Right to Vote on Taxes Act," which was approved on the November 1996 Statewide ballot and added Article XIIID to the California Constitution, requires that a parcel's assessment not exceed the reasonable cost of the proportional special benefit conferred on that parcel. Proposition 218 provides that only special benefits are assessable and the City must separate the general benefits from the special benefits. In addition, Proposition 218 also requires that publicly owned property which benefits from the improvements be assessed, unless there is clear and definite evidence that those properties receive no special benefit. Exempted from the assessment would be the areas of public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, public easements and rights-of-ways, public greenbelts and public parkways.

Special Benefit

The improvements and associated costs have been allocated to the assessable properties within the District based upon the special benefit received by those properties. The improvements for which the properties are assessed have been identified as necessary, were installed and are being maintained as part of the development plans. As such, the costs to maintain and service the improvements are strictly the obligation of the properties within the District.

General Benefit

Although the improvements may be visible to passersby or to the public at large, the improvements were installed as a requirement of the development of the zones and are designed for the benefit of properties within the zones. It has been determined however, due to limited access by properties or individuals outside the District, the City will contribute an amount to account for the incidental general benefits conferred to those outside properties or individuals, specifically the general benefit provided by median landscaping along arterial streets within the District. This contribution is shown on the Budget Tables under "GF – Capital Improvement Projects".

PART IV – METHOD OF ASSESSMENT

General

The Method of Assessment outlines the formula by which property that receives special benefit from the improvements and services provided will be assessed annually. The Method of Assessment for the District follows:

Each parcel within the District is deemed to receive special benefit from the landscaping improvements. Each parcel that has a special benefit conferred upon it as a result of the maintenance and operation of the improvements is identified and the proportionate special benefit derived by each identified parcel is determined in relationship to the entirety of the costs of the maintenance, operation, and servicing of the improvements.

Each parcel is assigned a weighting factor known as an Equivalent Dwelling Unit (EDU) to identify the parcel's proportionate special benefit from the improvements. Each parcel's EDU is calculated based on the parcel's land use, development status and/or size as compared to other parcels that are associated with the improvements. All single-family residential properties are assigned an EDU of 1.00, and all other property types are assigned an EDU proportionate to the special benefits they receive as compared to a single-family residential property. The total EDU's in a Zone are divided into the total amount to be assessed (Balance to Levy) to establish the Levy per EDU (Assessment Rate). The Assessment Rate is then multiplied by the parcel's individual EDU to establish the parcel's levy amount.

The following formulas are used to calculate each property's assessment:

Total Balance to Levy ÷ Total EDUs = Levy (Assessment Rate) per EDU

Levy per EDU x Parcel EDU = Parcel Levy Amount

The formula used for each Zone reflects the composition of the parcels and properties, and the services provided, to accurately proportion the costs based on estimated special benefit to each parcel. The total Levy per EDU will vary between Zones due to the different costs to maintain the improvements within each Zone and the number of EDU within the Zone.

Land Use Classifications

Every parcel within the District is assigned a land use classification based on available parcel information obtained from the County Assessor's Office and City records. To assess benefits equitably, it is necessary to relate the different type of parcel improvements to each other. The Equivalent Dwelling Unit method of assessment apportionment uses the single-family home site as the basic unit of assessment. A single-family home site equals one Equivalent Dwelling Unit (EDU). Every other land use is converted to EDU's based on an assessment formula that equates the property's specific development status, type of development (land use), and size of the property, as compared to a single-family home site.

The EDU method of apportioning benefit is typically seen as the most appropriate and equitable assessment methodology for districts formed under the 1972 Act, as the benefit to each parcel from the improvements are apportioned as a function of land use type, size and development.

Single-Family Residential Subdivided Lot. This land use is defined as a fully subdivided residential home site with or without a structure. This land use is assessed 1.00 EDU per lot or parcel. This is the base value that all other land use types are compared and weighted against.

Planned-Residential Subdivision. This land use is defined as any property not fully subdivided, but has a specific number of proposed residential lots to be developed on the parcel (approved tract map). This land use type is assessed at 1.00 EDU per planned (proposed) residential lot.

Vacant, Undeveloped Private Property. This land use is defined as vacant property (undeveloped) that is not a fully subdivided residential lot or planned residential subdivision. This land use is assessed at 4.00 EDU per acre. Parcels less than 0.25 acres are assigned a minimum of 1.00 EDU. In Zones 10, 11, 36 and 37 this land use is assessed at 5.00 EDU per acre. Parcels less than 0.20 acres are assigned a minimum of 1.00 EDU.

Developed Non-Residential. This land use is defined as property developed for non-residential use, including, but not limited to, commercial and industrial properties, offices, churches and not-for-profit institutions and private schools. This land use type is assessed at 5.00 EDU per gross acre. Parcels less than 0.20 acres are assigned a minimum of 1.00 EDU.

Developed Multiple Residential Units. This land use is defined as a fully subdivided residential parcel that has more than one residential unit developed on the property. This land use is assessed 1.00 EDU per unit for properties that the number of units can be identified. For properties that the number of units cannot be identified the property is assessed as Developed Commercial/Industrial property at 5.00 EDU per gross acre, but a minimum of 1.00 EDU.

Undeveloped, Public Property. This land use identifies properties that are exempt and are assigned 0.00 EDU. This land use classification may include, but is not limited to lots or parcels identified as:

- Public streets and other roadways (typically not assigned an APN by the County);
- Dedicated public easements such as utility rights-of-way, detention basins, channel ways, greenbelts, parkways, parks and open space areas;
- Privately owned property that cannot be developed or is associated with another property such as common areas, sliver parcels and bifurcated lots or properties that have little or no land value;

These types of parcels are considered to receive little or no benefit from the improvements and are therefore exempted from assessment. Government-owned properties commonly identified as non-taxable properties by the County Assessor's Office are not exempt from District assessments unless:

- The property has restricted development or limited land use potential and the improvements clearly provide no benefit to the property; or
- The property provides additional or substantially similar improvements being provided by the District (such is the case with parks, open space areas and common areas).

Developed Public Property. This land use is defined as developed property owned by a public agency such as the City or by utility companies. This land use type is assessed at 0.30 EDU per gross acre.

Developed Regional Commercial. This land use is defined as property that has been designated for regional commercial development (i.e. Shopping mall). This land use type is assessed at 0.36 EDU per gross acre.

Restricted/Special Land Use. This land use classification identifies properties that benefit from the improvements, but cannot be fairly categorized by one of the other land use designations. This land use classification may include, but is not limited to:

- Developed Commercial/Industrial properties that only a small portion of the parcel has been developed;
- Properties identified as planned residential subdivisions, but currently have development restrictions; or
- Vacant properties with development limitations or development plans that identify large portions of the property as open space areas, parklands or similar exempt land uses.

The following table shows the EDU factors assigned to each property type in the District:

Property Type	Factor	Basis
Single Family Residential – Subdivided Lot	1.00	Parcel
Planned Residential Subdivision	1.00	Planned Lot
Vacant, Undeveloped Private Property [(1)]	4.00	Acre
Vacant, Undeveloped Private Property (Zones 10, 11, 36 & 37)[(1)]	5.00	Acre
Developed, Non-Residential Property	5.00	Acre
Developed, Multi-Family Residential	1.00	Unit
Undeveloped, Public Property [(2)]	0.00	Acre
Developed, Public Property [(3)]	0.30	Acre
Developed, Regional Commercial [(4)]	0.36	Acre

Notes

1. The Undeveloped Private property factor for Zones, 10, 11, 36 and 37 (5.00 EDU/Acre) reflects the more intense use of property within these Zones when the properties are developed as compared to property development in other Zones of the District, which are assigned a weighting factor of 4.00 EDU/Acre. It is important to note that the factors shown above are used to apportion the assessment within each specific Zone, not across the entire District and therefore this distinction is an appropriate reflection of these parcels' benefit compared to other property types within the respective Zones.
2. It has been determined that undeveloped public properties generally do not benefit from the improvements and services provided by the District and are not assessed. These types of properties generally include easements, detention basins, parks or properties that have little or no development potential and therefore receive no special benefits from the District improvements.
3. Developed Public properties typically receive comparatively less benefit from the improvements and services provided by the District, since the use and enhancement of these properties has little direct benefit from aesthetics of the local environment. The factor shown was originally established based on typical proportionate cost of service and hours of use for this land use type.

4. Regional Commercial properties have been assigned a reduced benefit because of their size and their more distant proximity to the District improvements. Additionally, due to the nature and hours of use, the benefit received by such properties from the improvements and services is substantially less than other developed properties. The factor shown was originally established based on a calculation of the proportionate cost of service, average floor area ratios, and hours of use.

Assessment Range Formula

The annual landscaping assessment shall be calculated for each parcel annually by multiplying each parcel's number of EDU's by the actual assessment rate for the specific fiscal year. The actual annual assessment rate levied in any fiscal year for the District may not exceed the maximum annual assessment rate for such fiscal year without receiving property owner approval for the increase. The actual assessment rate shall be as approved by the City Council, not to exceed the maximum annual assessment rate for such fiscal year, after a noticed public hearing has been conducted, as required by law.

In each year, starting in the first year after the consolidation of the District (2003-04), the maximum annual assessment rate for each Zone shall be increased in an amount equal to the lesser of: (1) three percent (3.0%), or (2) the annual percentage increase of the Local Consumer Price Index ("CPI") for All Urban Consumers, for the San Francisco-Oakland-Hayward Area.

Each fiscal year, the City shall identify the percentage difference between the CPI for June and the CPI for the previous June (or similar time period). This percentage difference shall then establish the range of increased assessments allowed based on CPI. Should the Bureau of Labor Statistics revise such index or discontinue the preparation of such index, the City shall use the revised index or comparable system as approved by the City Council for determining fluctuations in the cost of living.

The actual annual assessment rate and actual assessments levied in any fiscal year will be as approved by the City Council and may not exceed the maximum annual assessment rate for that fiscal year without property owner approval via a Proposition 218 compliant increase procedure.

The percentage difference for the CPI for the San Francisco-Oakland-Hayward Area June 2022 to June 2023 was 2.87%. The maximum assessment rates allowed for Fiscal Year 2024-25 therefore, have been adjusted by 2.87% over the prior year's maximum assessment rates.

PART V – ASSESSMENT DIAGRAM

The assessment diagrams for each Zone in the District are on file with the City's Office of the City Clerk and available for public inspection.

The lines and dimensions of each lot or parcel within each Zone are those lines and dimensions shown on the maps of the Assessor of the County of San Joaquin for the fiscal year to which this Report applies. The Assessor's maps and records are incorporated by reference herein and made part of this Report.

An overview map of the District showing the locations of each Zone is included herein as Appendix B.

PART VI – ASSESSMENT ROLL

The assessment set forth for each parcel is shown on the Assessment Roll for the District, submitted separately, as "Assessment Roll for the City of Tracy, Consolidated Landscape Maintenance District, Fiscal Year 2024-25", which exhibit is incorporated by reference herein as Appendix C under separate cover, and is on file in the Office of the City Clerk.

APPENDIX A – IMPROVEMENT AREAS BY ZONE

Zone 1 Sycamore subdivision on east side of Tracy Boulevard

Arterial Street Landscaping

Tracy Boulevard – Southeast corner of Tracy Boulevard and Central Avenue, north to 1688 S. Tracy Boulevard

Zone 2 Fairhaven subdivision on west side of Tracy Boulevard

Arterial Street Landscaping

S. Tracy Boulevard – West side, approximately 1,000 feet south of Valpico to Sycamore Parkway (Fairhaven subdivision)

Rockport Way – Median strip and side strips

Zone 3 Northwest section of Tracy, bordered by I-205 to the north, Byron Road to the south and O'Hare Drive to the east

Arterial Street Landscaping

Grant Line Road – North side from Corral Hollow Road to O'Hare Drive; south side from 1820 W. Grant Line Road, east to Lincoln Road; median island from Lincoln Road, west to Orchard Parkway; south side from Corral Hollow Road, west to Henley Parkway

Corral Hollow Road – West side from Grant Line Road, south to Byron Road; east side from Byron Road to approximately 150 feet north of Alegre; median island from Byron Road, north to Grant Line Road; east side from Grant Line Road, north to beginning of the channel way; median island on Corral Hollow Road, north of Grant Line Road to the Mall entrance

Kavanagh Avenue – South side from Corral Hollow Road, east to Golden Springs Drive

Lowell Avenue – Corral Hollow, west to Regency (both sides), north side from Henley Parkway heading west to the end of the sound wall; south side from Henley Parkway, west to Blandford Lane; median island from Corral Hollow Road, east to Lincoln Boulevard; south side from Corral Hollow Road, east to Promenade Circle; north side between the sound wall and curb, from Bridle Creek to Joe Pombo Parkway

Parkway; south side from east end of subdivision to the end of the soundwall/Joe Pombo Parkway; south side from Joe Pombo Parkway to Blandford Lane; south side from Promenade Circle, east to the end of the sound wall; northside from Henley Parkway, west to the end of the sound wall

Orchard Parkway – East side from Lowell Avenue to Grant Line Road; median island from Hillcrest, north to Joseph Damon Drive; west side from Lowell Avenue, north to approximately 500 feet north of Hillcrest, and from Joseph Damon Drive to Grant Line Road (to be weed free between curb and fence line); west side between curb and fence line, approximately 500 feet south of Joseph Damon Drive

Henley Parkway – East side between sound wall and curb, from Lowell Avenue to Bridle Creek Drive; west side from Lowell Avenue, north to the end of the sound wall (north of Giovanni)

Blandford Lane – East side from Lowell Avenue heading south to the end of the sound wall, including traffic circle at Lowell Avenue and Blandford Lane

Subdivision Landscaping

Arnaudo Village – Entryways at Lincoln Boulevard and Grant Line Road

Blossom Valley – Entryways at Travao Lane and Grant Line Road, including median-island

Foothill Ranch Estates – Entryway at Foothill Ranch Drive and Corral Hollow Road, including median-island

Woodfield Estates – Entryway at Fieldview, including north and south side sound wall and median strip along Fieldview; entryway at Promenade Circle, including west side of sound wall and median island

Sterling Estates – Alegre – north side and median-island

Pheasant Run – Entryways at Corral Hollow Road and Fieldview, including median-island; Annie Court adjacent to Fieldview, including south side of sound wall

Bridle Creek – Entryway at Lowell Avenue and Bridle Creek Circle, including median island on Bridle Creek Circle; entryway at Bridle Creek Circle and Joe Pombo Parkway

Entryways at Lowell Avenue and Oxford Way, including median-island on Oxford Way; entryway at Hampshire Lane, including median strip

Laurelbrook – Entryway at Laurelbrook Drive and Southbrook Lane, including median strip

Foothill Vista – Entryway at Hillcrest Drive between Orchard Parkway and Isabel Virginia

Countryside – Giovanni Lane, both sides, including median-island, from Henley Parkway, west to Rochester Street

Park Maintenance

Arnaudo Village – Slater Park on Suellen Drive

Buena Vista Estates – Kelly Park on Tammi Court

Foothill Ranch Estates – New Harmon Park on Hillcrest Drive

Laurelbrook – Dr. Ralph Allen Park at Veranda Court and Dorset Lane

Sterling Estates – Pombo Family Park on Joseph Damon Drive and Mary Alice Court

Park Atherton – Eagan Park on Oxford Lane and Lowell Avenue; Thrasher Park on Lowell Avenue and Joseph Menusa Lane; McCray Park on Fieldview Drive and Vivian Lane

Weed Abatement

Corral Hollow – Byron Road, north to Grant Line Road

Grant Line – North side from Corral Hollow Road heading west 500 feet from curb to 10 feet behind curb

Orchard Parkway – East side from Lowell Avenue to Hillcrest Drive curb to sidewalk; Orchard Parkway median island from Lowell Avenue to Grant Line Road

Pombo Parkway – East side from existing landscape, north to the end of the sound wall

Zone 4 **Located in front of the Summergate Apartments on Grant Line Road**

Weed Abatement

Grant Line Road – In front of apartment complex

Zone 5 **Located south of East Grant Line Road and east of Esther Drive.** No maintenance activity currently being performed

Zone 6 **Located on the southwest corner of Clover Drive and North Tracy Boulevard.** No maintenance activity currently being performed

Zone 7 **Located within the boundaries of 11th Street to the south, Corral Hollow Road, the SPRR tracks to the south and Hickory Avenue on the east**

Arterial Street Landscaping

Lauriana Lane – West side of Cypress Drive, south to Schulte Drive

Cypress Drive – North side from approximately 100 feet west of Hickory Avenue, west to Lauriana Lane; south side and median island from Lauriana Lane to Corral Hollow Road

Corral Hollow Road – East side approximately 300 feet north of Tennis Lane, south to the railroad tracks; east side, south from 11th Street to Cypress Drive (Safeway frontage only to include from face of curb to face of sidewalk); median strip from 11th Street, south to railroad tracks, south of Schulte Road; west side from Krohn Road, south to Cypress curb, to bike path

Schulte Road – From Corral Hollow Road heading east. The south side ends 1,000 feet before the railroad tracks. The north side ends at the railroad tracks and includes the median island

Subdivision Landscaping

Fox Hollow – Entryways at Tennis Lane and Lauriana Lane; entryways at Cypress Drive and Fox Hollow; entryways at Cypress Drive and Hunter's Trail; entryways at Tennis Lane and Corral Hollow Road, including median strip and two cul-de-sacs at Pheasant Run Court and Thomas Dehaven Court

Harvest Country West – Entryways at Raywood Lane, including median strip

Quail Meadows – Entryway at Golden Leaf Lane, including median strip; entryway at Quail Meadows, including median strip

Candlewood Estates – Entryway at Alden Glen Drive and Cypress Drive, including median strip

Corral Hollow Estates – Entryway at Lauriana Lane, both side, including median strip from Schulte Road, south approximately 92 feet

Park Maintenance

Fox Hollow – Kit Fox Park at Foxwood Court and Fox Hollow Way; Rippin Park at Tennis Lane and Firefly

Harvest Country West – Harvest Park at Birchwood Court and Fireside Lane

Candlewood Estates – Patzer Park at Alden Glen Drive and Meadowlark

Quail Meadows – Bailor-Hennan Park on Golden Leaf Lane

Weed Abatement

11th Street – Church frontage west of Alden Glen Drive, from face of curb to chain link fence

Schulte Road – from railroad tracks east of Lauriana Lane, heading west 1,000 feet to start of landscaping, 10 feet from the curb

Zone 8 **Located within the boundaries of Corral Hollow Road on the west and 11th Street on the south**

Arterial Street Landscaping

Belconte Drive – From 11th Street to Byron Road, east and west sides, including median-island

Redington Drive – Median-island, east and west of Belconte Drive

Byron Road – From Corral Hollow Road, west approximately 2,280 feet to the end of the subdivision sound wall

Corral Hollow Road – West side from Byron Road to 11th Street

Park Maintenance

Fabian – Fabian Park on Redington Drive

Zone 9 **Located west of Tracy Boulevard from the UPRR spur line to Corral Hollow Road on the west, and to the south, Edgewood and Brookview West subdivisions**

Arterial Street Landscaping

Tracy Boulevard – Circle B Ranch – west side from 245 feet north of Mt. Diablo Avenue, heading south past Schulte Road, approximately 650 feet to the end of the shopping center

Heritage subdivision – West side starting from approximately 200 feet north of Menay Drive, heading south to West Central Avenue

West side from Central Avenue heading south approximately 970 feet south of Valpico Road, next to the baseball field

West side from Sycamore Parkway heading south approximately 570 feet, to the end of the sound wall

Corral Hollow Road – From the railroad tracks south to Parkside drive, approximately 600 feet

Sycamore Parkway – West side and medians from Amberwood Lane south to Dove Lane; south of Central Avenue to Tracy Boulevard; west side, from Schulte Road, south to Amberwood Lane

Schulte Road – Median strip from Tracy Boulevard to railroad tracks; north side from Tracy Boulevard to Sycamore Parkway; south side from Tracy Boulevard to west end of shopping center; south side, from Sycamore Parkway, west to the end of the sound wall; south side from Sycamore Parkway, east to the shopping center

Valpico Road – Tracy Boulevard, both side, west to the City limits; median islands from Tracy Boulevard, west to the City limits

West Central Avenue – Median from Tracy Boulevard to Sycamore Parkway; north side from Tracy Boulevard, west to the end of Cedrus Drive

Subdivision Landscaping

Circle B Ranch – Entryways at Morris Phelps and Schulte Road; entryways at Mt. Diablo Avenue and Tracy Boulevard

Hearthstone – Entryways at Menay Drive and Tracy Boulevard; entryways at Amberwood Ln. and Sycamore Parkway cul-de-sac at Yorkshire Loop and Hampton Ct.

Regency Square – Entryways at Monument Drive, Tracy Boulevard and Sycamore Parkway; Monument Drive (north and south sides), including

Median islands at Monterey and Vintage Courts; cul-de-sac at southeast corner of Tahoe Court and northwest corner; cul-de-sacs at northeast and southwest corners of Tahoe Circle; court adjacent to Mt. Oso Mini Park on Henderson Court; court adjacent to Mt. Diablo Mini Park on Alpine Court

Muirfield – Entryway at Steinbeck; entryway at Petrig; cul-de-sac at Whitman Court; cul-de-sac at Longfellow Court; entryway at Dove Lane; median island on Chaplin, east and west of Sycamore Parkway; entry at Cagney; cul-de-sac at Shaw Creek; cul-de-sac at Williams Court; cul-de-sac at Bogart Court; cul-de-sac at Mansfield Court; cul-de-sac at Hepburn Court; entryway at Allegheny

Glen Creek – Entryway at Glen Creek Way

Greystone Station – Median-island at Windham; median-island at Sudley Drive

Harvest Glen – Entryway at Ray Harvey Drive; entryway at Meadow Lane; cul-de-sac at Cornucopia

Ironwood – Entryway at Monument Drive; walking path from Whitehaven Court, heading west to Mountain View Road; cul-de-sac at Newcastle Court; cul-de-sac at Clairmont Court; cul-de-sac at Hampton Court

Park Maintenance

Hearthstone – Valley Oak Park at Larkspur and Honeysuckle Court; Evelyn Costa Park at Claremont Drive and Whitehaven Court

Parkside Estates – Evans Park on Parkside Drive

Harvest Glen – Fitzpatrick Park on Savanna Drive; Albert Emhoff Park on Jonathon Place and Moonlight Way

Regency Square – Mt. Oso Park at Henderson Court; Mt. Diablo Park at Alpine Court

Muirfield – Golden Spike Park on Christy Court; Fred Icardi Park on Russell Street at Steinbeck Way; Westside Pioneer Park at Cagney Drive and Hepburn Street

Circle B – Sister Cities Park at Morris Phelps Drive and Saddleback Court

Greystone Station – John Kimball Park at Tom Fowler Drive and Sudley Drive

Sienna Park – Tracy Press Park at Schulte Road and Weeping Willow Lane

Zone 10 Includes the MacArthur Drive area, bounded by I-205 to the north and 11th Street to the south

Arterial Street Landscaping

MacArthur Drive – East side, from Pescadero Avenue south to 2020 MacArthur Drive (curb to sidewalk); west side from Grant Line Road to 11th Street, approximately 35 feet from curb; median strip from I-205 to 11th Street; west side from Pescadero Avenue, south to end of the California Esprit subdivision; east side from Pescadero Avenue, north 165 feet; west side from Pescadero to a private canal; North side of 11th Street at channelway

Pescadero Avenue – North side, from MacArthur Drive, east to the end of the Outlet Center, curb to sidewalk and median strip; adjacent to Yellow Freight, from redwood header to sidewalk; south side adjacent to Market Wholesale, from face of curb approximately 30 feet; south side adjacent to the California Esprit subdivision, from MacArthur Drive west to the end of the sound wall; south side from MacArthur Drive, east to McLane Food Services; north side starting at 3403 Bungalows Drive to MacArthur Drive

Grant Line Road – North side, MacArthur Drive, east to the City limits, including median strip; south side, east of channelway to Skylark (ground cover only)

Zone 11 **Located southwest at the corner of W. Eleventh Street and N. MacArthur Drive.**
In front of storage facility

Zone 12 **Located northwest of I-205 including the existing arterial landscaping along the right-of-way on Naglee Road and Grant Line Road**

Arterial Street Landscaping

Naglee Road – From Grant Line Road to Auto Plaza Drive, median and 5 foot strip between curb and sidewalk on the east side; west side from Pavilion Parkway to Robertson Drive, turf and curb strip only; Grant Line Road to Auto Plaza drive sidewalk on west side

Auto Plaza Drive – South side curb face to sidewalk, from Naglee Road, east to dead end

Robertson Drive – Both sides of the street curb face to sidewalk, from Naglee Road, west to Pavilion Parkway

Grant Line Road – South side from 2850 W. Grant Line Road, west to 3292 W. Grant Line Road; north side from west driveway of Chevron at 2615 W. Grant Line Road, west to the western edge of the property at 2785 W. Grant Line Road

Pavilion Parkway – Both sides of the street curb face to sidewalk, from Naglee Road to Power Road; median from Naglee Road, west to Power Road

Corral Hollow – Median from I-205 to Mall entrance; east side from I-205 to Mall entrance

Zone 13 **Located southwest of I-205 with 11th Street bordering on the south, Lammers Road on the west and Byron Road on the north**

Arterial Street Landscaping

Fabian Road – North side from the edge of the sound wall, east to Montgomery Lane, west to Lammers Road; both sides and median on Montgomery Lane from King Loop to Fabian Rd

Lammers Road – East side from Fabian Road, north to Feteira Way

Subdivision Landscaping

Westgate – Entryway at Westgate Drive, both sides, east to Antonio Loop; entryway from Feteira Way to Glazzy Lane, both sides, from Lammers Road, east to Glazzy Lane; median on Souza Way, from Thelma Loop to Antonio Loop

Park Maintenance

Souza Park South – On Antonio Loop between Souza Way and Ann Marie Way

Souza Park North – On Thelma Loop between Milton Jenson Court and Michael Drive

Zone 14 **Bounded on the west by Lammers Road, on the east by Corral Hollow Road and on the south by Schulte Road and the railroad tracks**

Arterial Street Landscaping

Corral Hollow Road – West side, 234 feet north of Tracey Jean Way, including the walking path between Corral Hollow Road and Tracey Jean Court

Subdivision Landscaping

Gabriel Estates – Entryway at Tracey Jean Way, including median strip

Park Maintenance

Joan Sparks Park – On Carol Ann Drive

Chandeayne Kingsley Park – On Robert Gabriel Drive

Zone 15 **Located in the southwest section of the City, bordered by Tracy Boulevard, Linne Road and Corral Hollow Road**

Arterial Street Landscaping

Tracy Boulevard – West side, from approximately 700 feet north of Whispering Wind, south to the end of the sound wall

Whispering Wind – Both sides, including medians from Tracy Boulevard, west to English Oaks Lane

Applebrook Lane – Both sides, including median from Whispering Wind, south to approximately 75 feet

English Oak Lane – East side from Whispering Wind, north to approximately 80 feet

Windsong Drive – Both sides, including median from Tracy Boulevard, west to approximately 370 feet

Corral Hollow Road – East side from 75 feet north of Peony Drive, heading south to railroad tracks

Subdivision Landscaping

Edgewood VI – Entryway at Peony Drive, both sides, including median strip from Corral Hollow Road, east to Maison Court; entryway at Middlefield Drive, both sides, including median strip from Corral Hollow Road, east to Whispering Wind Drive

Park Maintenance

William Adams Park – On Edgewood Terrace Drive

Don Cose Park – On Whirlway Lane

Bill Schwartz Park – On Peony Drive

Zone 16 **Bordered on the north by Byron Road, 11th Street on the south, Palomar Drive on the west and Mamie Anderson on the east**

Subdivision Landscaping

Crossroads Drive – Crossroads Drive, east and west from 11th Street to Solomon Lane; Crossroads Drive from Solomon Drive to fence line of 2506 Spencer Lane

Park Maintenance

Dan Busch Park – On the northeast corner of Crossroads Drive and Tolbert Drive

Zone 17 Includes all areas east of Tracy Boulevard between the SPRR tracks on the north and 100 feet north of Deerwood Lane on the south

Arterial Street Landscaping

Tracy Boulevard – East side from Valpico Road, north to the end of the shopping center (on-site landscape contractor maintains the 5,150 sq. ft. of shrubs and 800 sq. ft. of turf); east side from Valpico Road, south to the end of the shopping center

Central Avenue – West side from Schulte Road, south to Ferdinand Street and the east side from Schulte Road, south to Deerwood Lane; west side from Schulte Road, north to Country Court, including ground cover in front of fence on Mt. Oso

Schulte Road – North side from Tracy Boulevard, east to the cemetery; medians from east of Tracy Boulevard to Gianelli Street; south side from Central Avenue to 300 feet east of Independence Drive

MacArthur Boulevard – West side from Krider Court, south to the north edge of the cemetery

Third Street – North side from Jaeger to Tudor

Leamon Street – South side of California Cameo Parkway from MacArthur Boulevard, west to Third Street and Jaeger Street

Mt. Diablo Avenue – South side (est. 1,000 sq. ft.) and median-island from MacArthur, west to Third Street

Valpico Boulevard – South side from Tracy Boulevard, east to end of landscaping; north side from Tracy Boulevard, east to end of landscaping (on-site landscape contractor maintains the 4,906 sq. ft. of shrubs)

Subdivision Landscaping

Meadow Glen – Entryways at Edenvale and Schulte Road; parkway from Cedar Mountain Drive to San Simeon Way

Victoria Park I – Entryways at Gianelli, including median, south side of Schulte Road; cul-de-sacs at Elizabeth Court, Henry Court and Edward Court

Victoria Park II (American Classics) – Cul-de-sacs at James Court and Mary Court

Victoria Park II (Traditions) – Cul-de-sacs at Elysan, Lavender and Primrose Courts, and entrance at Junior Harrington, north side to 100 feet east

California Collections – Entryways at MacArthur Drive and Wagtail Drive; cul-de-sac at Krider Court

California Renaissance – Entryway median at Third Street; entryway and median at Hotchkiss Street; cul-de-sac at Sir Lancelot

California Cameo – Entryway median at Leamon Street; cul-de-sac at Versailles Court; cul-de-sac at Czerny Street

Park Maintenance

Meadow Glen – Florence Stevens Park at Tassajero Court

Victoria Park – Sullivan Park on Victoria Street

California Collections – Huck Park on Wagtail Drive

Zone 18 Bounded on the north by Valpico Road, on the east by MacArthur Drive and on the south by Linne Road

Arterial Street Landscaping

Valpico Road (Glenbriar Estates) – South side from MacArthur Drive, west to the end of the sound wall; south side from Pebblebrook Drive, west to the end of the sound wall, approximately 600 feet (Pebblebrook Estates)

MacArthur Drive (Glenbriar Estates) – West side from Valpico Road, south to the end of the landscaping, approximately 290 south of Fair Oaks Road; west side from Glenbrook Drive, south 237 feet to end of landscape; north 220 feet to the end of the landscaping

Subdivision Landscaping

Glenbriar Estates – Glenbriar Drive from Valpico Road, south to Glenbriar Circle, both sides and median

Pebblebrook Estates – Entryway at Pebblebrook Drive, including median; cul-de-sac at Pebblebrook Court

Zone 19 Located north of the UPRR tracks, south of Valpico Road, east of Tracy Boulevard and west of Glenbriar Estates

Arterial Street Landscaping

Tracy Boulevard – East side including median from Valpico Road, south to UPRR tracks, Whispering Winds, Regency and Brookview,

Park Maintenance

William Kendal Lowes Park

Subdivision Landscaping

Regis Drive – West side from Whispering Wind Drive, south to Dietrick Avenue; from Regis Drive, east to 418 feet east of Reids Way; from Whispering Wind Drive, north to Arezzo Way, then east on Arezzo Way to Escatta Avenue

Brookview Drive – From Perennial Place, east to Glenhaven Drive, north side; from Regis Drive, east to Glenhaven Drive, south side

Zone 20 (Larkspur Estates) located generally south of Montclair Lane, west of MacArthur Drive, and north of Valpico Road

Arterial Street Landscaping

MacArthur Boulevard – West side from DeBord Drive, north 415 feet to the end of the sound wall, and south from DeBord Drive 213 feet to the end of the sound wall; median on DeBord Drive

Park Maintenance

Stalsberg Drive – Clyde Abbot Park located on the south dead end of Stalsberg Drive

Zone 21 (Huntington Park) located generally between Byron Road, south to Fabian Road and Gentry Lane, east to Jones Lane

Subdivision Landscaping

Huntington Park – Entryway on Montgomery Lane, both sides from Fabian Road, north to King Loop, including median; entryway on Lankershire Drive, both sides from Byron Road, south to Kensington Court, including median; cul-de-sac on Kensington Court; Byron Road south side from Lankershire Drive, west 243 feet to the end of the sound wall, and east from Lankershire Drive 554 feet to the end of the sound wall; entryway at Byron Road, 100 feet to Ogden Sannazor, east and west side of the pathway

Mini-Park Maintenance

Richard Hastie Park – located on Huntington Park Drive

Zone 22 Generally located between Corral Hollow Road, east to Egret Drive, and from Persimmon Way, south to Starflower Drive on the western half and Dove Drive on the eastern half

Arterial Street Landscaping

Corral Hollow Road – East side from Starflower Drive, north to the end of the sound wall of the sound wall

Subdivision Landscaping

Parkview (Muirfield 7) – North side of Persimmon Way along the sound wall from Geranium, west to Corral Hollow Road; west side of Lotus Way, along sound wall from Starflower Drive, north to Petunia; north side of Starflower along sound wall from Corral Hollow Road, east to Lotus Way, including median

Zone 23 Starflower Drive south to canal between Corral Hollow Road, Monroe Street and Gretchen Talley Park

Arterial Street Landscaping

Corral Hollow Road – From Starflower Drive, south to Kagehiro Drive; east side of Corral Hollow, Kagehiro Drive to Lotus Way

Starflower Drive – From Corral Hollow Rd south side to Lotus way

Kagehiro Drive – From Corral Hollow Road, east to Lotus Way

Zone 24 (Eastlake) - Located south of 26102 S. MacArthur Drive, north of Valpico Road and east of MacArthur Drive

Park Maintenance Only

Tiago Park – Located on Eastlake Circle between Crater Place and McKenna Court

Zone 25 Located north of Brichetto Road and Schulte Road, east of Zone 32. No maintenance activity currently being performed

Zone 26 Located generally west of Corral Hollow Road, east of Lammers Road, north of Zone 14 and south of W. 11th Street

Arterial Street Landscaping

Corral Hollow Road – 60 feet north of Cypress Drive to the end of the sound wall, south approximately 240 feet; north side, 31 feet north of Cypress Drive

Sterling Park II – From San Marcos subdivision at Tennis Lane, 290 feet north to the Sterling Park subdivision; Tennis Lane, west of Corral Hollow Road center median and south side

Krohn Road – South side from Corral Hollow Road, west to end of landscaping

Subdivision Landscaping

Sterling Park – Cypress Drive, north and south side, including median; Banff, east and west side, including median

San Marcos – Schulte, north and south side, including median; Babcock entryway and median; Cabana entryway and median; Schulte Road, north 922 feet to Tennis Lane; Schulte Road, south to Golden Leaf Lane; Nabor Court

Park Maintenance

Verner Harrison – Located at Jill Drive and Brittany

Marlow Brothers – Located at Adaire Lane and Golden Leaf Lane

John Erb Park – located Barcelona Drive and Cypress Drive

Zone 27 Located generally west of Zone 26, south of Zone 28, north of Zones 25 and 14, approximately one mile east of Lammers Road

Arterial Street Landscaping

South Gate – Schulte Road, east from Mabel Josephine to the end of the landscaping

South Gate – Mabel Josephine, south from Schulte Road to Patrick McCaffrey Drive

South Gate – Schulte Road median, east from Mabel Josephine to Barcelona

Zone 28 Located generally south of W. 11th Street, west of Zone 26, north of Zone 27 and east of Lammers Road

Subdivision Landscaping

Crossroads Drive – From 11th Street, heading south on west side of the dead end of Crossroads Drive, curb to sound wall (curb to mow strip in front of Sports Complex); from 11th Street, heading south on the east side of the dead end of Crossroads Drive; median from 11th Street, heading south to the end of Crossroads Drive; Cranston Court; Wyman Court; Bennet Court; Marshall Court

Jefferson Parkway – 11th Street, heading south to Safford Lane; median from 11th Street, heading south to Safford Lane; east side from 11th Street to end of Sports Complex

Zone 29 Located generally south of Schulte Road, north of Valpico Road, west of Chrisman Road and east of Zone 24

Arterial Street Landscaping

Valpico Road – North side of Valpico Road from Chrisman Road, heading west 1,018 feet to the end of the sound wall; north side from Elissagaray Drive, heading west 145 feet; north side starting 440 feet west of

Elissagaray Drive at sound wall, heading 238 feet west to the end of the sound wall

Chrisman Road – West side of Valpico Road, heading north 960 feet past Elissagaray Drive

Subdivision Landscaping

Elissagaray Drive – East side from Valpico Road to Rodger Drive; east side from Rodger Drive, heading northeast to Chrisman Road, including Amatchi Drive entrances, east and west; west side from Rodger Drive, heading north to Dominique Drive; north side from Aldacourrou Street, heading east to Chrisman Road

Dominique Drive – South side from Elissagaray Drive, heading west 525 feet past Basque Drive

Mount Pellier Street – West side from 125 feet south of Montauban Street, heading south 225 feet to the end of the fence at 2203 Mt. Pellier Street

Subdivision Court Landscaping

Baigorry Court – East side from 130 feet south of Rodger Drive, starting at the sound wall 210 feet to the end of the sound wall

Park Maintenance

Robert Kellogg Park – Located on Elissagaray Street

Zone 30 Yosemite Vista Housing Development located on S. MacArthur Drive

Arterial Street Landscaping

S. MacArthur Drive – From Yosemite Drive, heading north to the end of the sound wall; from Yosemite Drive, heading south to Jesse J. Martinez Drive; from Jesse J. Martinez Drive, heading south to the end of the landscaping

Yosemite Drive – Median-island from S. MacArthur Drive, east approximately 100 feet

Park Maintenance

Sentinel Drive – Jim Raymond Park

Zone 31 Tracy Mini Storage

Arterial Street Landscaping

Tracy Boulevard – East of Tracy Boulevard, west of Zone 28 and south of Valpico Road

Zone 32 Located north of Schulte Road, east of Lammers Road**.** No maintenance activity currently being performed

Zone 33 Generally located south of I-205, north of the SPRR tracks and east of Chrisman Road

Arterial Street Landscaping

Grant Line Road – From Best Buy warehouse, east to Skylark Way

Zone 34 The triangle area located south of the SPRR tacks, north of W. 11th Street and east of Corral Hollow Road

Arterial Street Landscaping

Corral Hollow Road – East side from 11th Street, north to railroad tracks at Byron Road

11th Street – From railroad tracks east of Alden Glen, heading west to Corral Hollow Road, north side from sidewalk to mow strip

Zone 35 East side of Tracy Boulevard between Centre Court and Tennis Lane

Arterial Street Landscaping

Tracy Boulevard – East side from BSC, heading south 375 feet past Tennis Lane

11th Street – From railroad tracks east of Alden Glen, heading west to Corral Hollow Road, north side from sidewalk to mow strip

Subdivision Landscaping

Ryland Junction – Entryway at Tracy Boulevard and Tennis Lane, including median; entryway at Tracy Boulevard and Centre Court, including median; Rockingham Court cul-de-sacs

Park Maintenance

Fisher Park – Located on Tracy Boulevard between Tennis Lane and Centre Court

Zone 36 El Pescadero at Grant Line Road

Arterial Street Landscaping

El Pescadero Park – South of El Pescadero Park, north of Grant Line Road and east of Buthmann

Zone 37 Forrest Greens

Arterial Street Landscaping

Acacia Street – North side of Acacia Street between East Street and MacArthur Drive

Zone 38 This Zone is split into four different areas within the District (Funded by City's General Fund, and not assessment revenue)

Zone A

Arterial Street Landscaping

11th Street – North side of 11th Street from Belconte Drive, west to Lammers Road; north side of 11th Street from Corral Hollow Road, west to Belconte Drive, from curb to sidewalk; north side of 11th Street from rail road tracks east of Alden Glen Drive, west to Corral Hollow Road, from curb to sidewalk; south side of 11th Street from Corral Hollow Road, west to the end of the landscaping west of Jefferson Drive, curb to sidewalk; south side of 11th Street from railroad tracks east of Alden Glen Drive, west to Corral Hollow Road, curb to sidewalk; median on 11th Street from rail road tracks east of Alden Glen Drive, heading west to Lammers Road; Lammers Road – westside, median and eastside from 11th Street to end of Kimball High School; on eastside from curb to fence.

Grant Line Road – South side of Grant Line Road from 1820 W. Grant Line Road, east to Lincoln Boulevard; Corral Hollow Road, west side from Grant Line Road, north to I-205

Tracy Transit Station – Plaza area in the middle of 6th Street from Central Avenue to D Street; traffic circle at the intersection of 6th Street and Central Avenue; traffic circle at the intersection of 6th Street and D Street; all on-site landscaping around the transit building and parking lot

Zone B

Valpico Town Center – North side of Valipco Road from Glenbriar Drive heading east to MacArthur Drive.

Zone 40 Located at the northwest corner of Valpico Road and MacArthur

Arterial Street Landscaping

Rite-Aid – North side of Valpico Road from MacArthur Drive, heading west 370 feet to second driveway; west side of MacArthur Drive from Valpico Road, heading north 135 feet

Zone 41 Located at east side of Corral Hollow Road, north of Tennis Lane and south of Cypress Drive

Arterial Street Landscaping

Corral Hollow Road – east side of Corral Hollow Road fronting 350 N. Corral Hollow Road, starting from 285 feet north of Cypress Drive, heading north 375 feet to the end of the landscaping

Zone 42 Located at south side of W. Grant Line Road, north of Byron Road and west of S. Lammers Road

Arterial Street Landscaping

Grant Line – Center median and south side from east to west of complex

Zone 43 Located east of MacArthur Drive and north of Valpico Road

Arterial Street Landscaping

Tract 3290 (Ventana) – Ongoing maintenance, servicing and operation of the landscaping improvements within the public right-of-ways, to be installed in connection with this development

Channel Way with Arterial Landscaping

Located in Zone 1

Central Avenue – From Silkwood Lane, west to Tracy Boulevard (channel way in front of the Sycamore Village apartments); Central Avenue channel along the eastern side of the Sycamore Village apartments

Transit Corridor – Bike path to face of curb**;** from Silkwood lane west to Tracy Blvd in front of the Sycamore Apartments

Located in Zone 3

Grant Line Road – East side from Grant Line Road to the I-205 freeway right-of-way, approximately 1,600 linear feet; east side from Grant Line Road, north to I-205 (no mow), weed down as needed

Orchard Parkway – West side of Orchard Parkway from Lowell Avenue to Grant Line Road

Vivian Lane/Rita Way – From south end of Vivian Lane, heading north past Rita Way to Lowell Avenue

Lowell Avenue – North side of Lowell Avenue to Orchard Parkway

Transit Corridor (bike path to face of curb) – East side of Corral Hollow Road from Grant Line Road to I-205; Orchard Parkway shrubs; Orchard Parkway, west side from Lowell Avenue to Grant Line Road; Vivian Lane/Rita Way from rail road tracks, south of Vivian Lane, north to Lowell Avenue; north side of Lowell Avenue, west to Orchard Parkway

Located in Zone 7

From edge of property to bike path – North side of Cypress Drive from Corral Hollow Road to Lauriana lane; east side of Lauriana Lane from Cypress Drive to Schulte Road; north side of Schulte Road from Lauriana Lane, east to the rail road tracks

Transit Corridor (bike path to face of curb) – Starting at the rail road tracks on Schulte Road west of Sycamore Parkway, heading west to Lauriana Lane, then on Lauriana, then west on Cypress Drive to Corral Hollow Road

Located in Zone 9

From edge of property to bike path – North side of Schulte Road channel way from railroad tracks to Sycamore Parkway; east side of Sycamore Parkway from Schulte Road, south to Windham Drive; south side of Central Avenue from Tracy Boulevard to Sycamore Parkway; east side of Windham Drive, south from Sycamore Parkway to Cherry Blossom

Transit Corridor (bike path to face of curb) – From Cherry Blossom, north to Sycamore Parkway on the east side, north to Schulte Road then west to rail road tracks; Central Avenue from Tracy Boulevard, west to Sycamore Parkway; north side of Schulte Road from Sycamore Parkway, west to Lauriana Lane

Located in Zone 10

MacArthur Drive – Landscaped channel way, east side from 11th Street overpass, north to driveway at 2020 MacArthur Drive-edge of property to bike path; non-landscaped channel area, east side from driveway at 2020 MacArthur Drive to Grant Line Road, north to Pescadero Road; I-205, west to rail road tracks west of MacArthur

Pescadero Avenue – Starting from the east driveway of the Outlet Mall, heading east 835 feet to the curve, then heading north 975 feet to the curve, then west 2,080 feet, ending at MacArthur Drive; starting from the south side of Pescadero Avenue from the east driveway of the Outlet Mall, heading south 2,550 feet to Grant Line Road; starting on the eastern edge of the property at 800 Grant Line Road, heading south 485 feet, then picking back up on the south side of the rail road tracks and heading south 950 feet to MacArthur Drive (Channel way is approximately 50 feet wide)

Transit Corridor (bike path to face of curb) – East side of MacArthur Drive from the 11th Street overpass, north to 1820 MacArthur Drive

Located in Zone 12

Naglee Detention Basin – Around fence line to bottom of the berm; entrance on Naglee Road, northwest side of Auto Plaza Drive

Park and Ride Lot – Transit corridor Park & Ride

Located in Zone 26

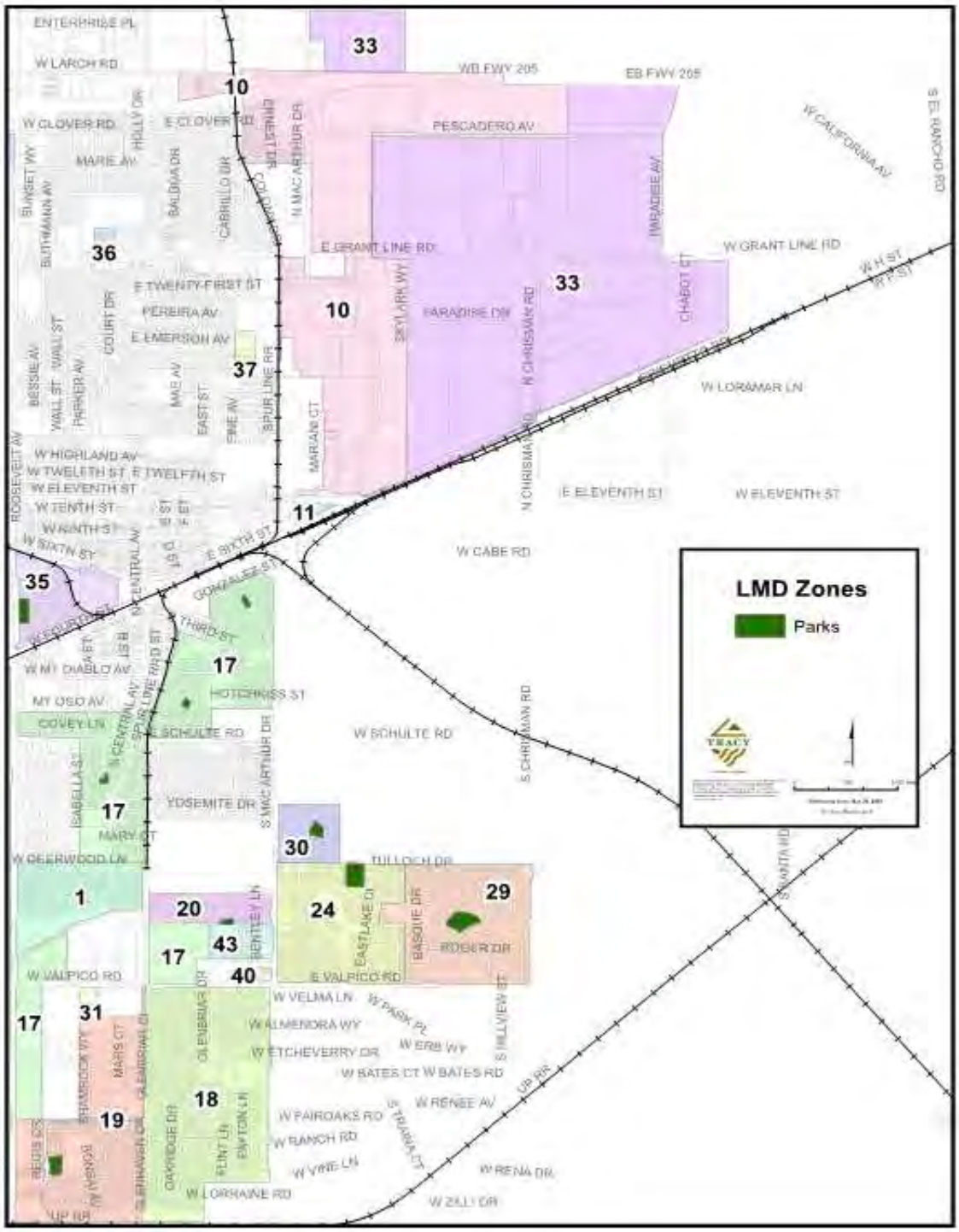
From edge of property to bike path – West side of Corral Hollow Road from Cypress Drive, north to Krohn Road; end of channel way from Krohn Road, 300 feet west to DB-V Detention Basin;

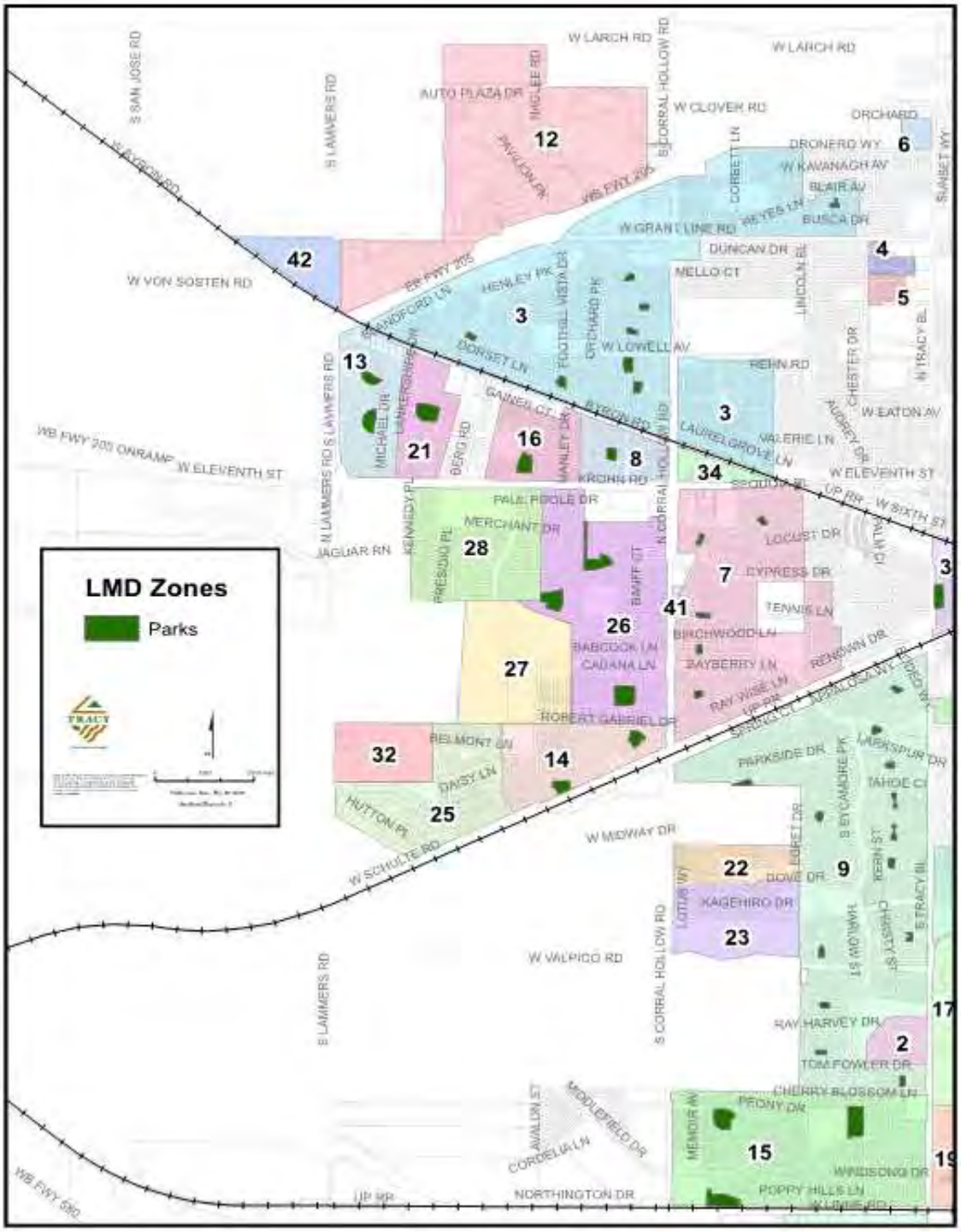
Placentia Fields Channel Way (General Fund Channel Way) – North of Cypress Drive towards 11th Street, then east to the end of the channel way

Transit Corridor (bike path to face of curb) – West side of Corral Hollow Road from Cypress Drive, north to Krohn Road

APPENDIX B – CONSOLIDATED LANDSCAPE MAINTENANCE MAP

A Diagram showing the District and Zone boundaries is on the following page.




LMD Zones
Parks
W LARCH RD
W CLOVER RD
W GRANT LINE RD
W VON SOSTEN RD
W LOWELL AV
W ELEVENTH ST
W SCHULTE RD
W MIDWAY DR
W VALPICO RD
WB FWY 205 ONRAMP
WB FWY 580
S SAN JOSE RD
S LAMMERS RD
S CORRAL HOLLOW RD
AUTO PLAZA DR
INGLEE RD
PAVILION PL
EB FWY 205
HENLEY PK
FOOTHILL VISTA CT
ORCHARD PK
DUNCAN DR
MELLO CT
LINCOLN BL
CHESTER DR
N TRACY BL
DRONE RD WY
W KAVANAGH AV
BLAIR AV
BUSCA DR
SUNSET WY
BEYERS LN
CORBETT LN
DORSET LN
GARNER CT
BERG RD
MANLEY CT
KRONN RD
REHN RD
LAUREL GROVE LN
VALERIE LN
AUDREY DR
W EATON AV
MICHAEL DR
LANEROSA PL
PALE PEOPLE DR
MERCHANT DR
KENNEDY PL
FRESQUO PL
BMIFF CT
LOCUST DR
CYPRESS DR
TENNIS LN
BIRCHWOOD LN
BAYBERRY LN
RENSHAW DR
RAY WISE LN
SPENCE CT
JOSEPH WY
BABCOCK LN
CADANA LN
ROBERT GABRIEL DR
RELMONT LN
DAISY LN
HUTTON PL
PARKSIDE DR
LARKSPUR DR
TAHOE CT
S BEYCAMORE PK
KERN ST
S TRACY BL
LOBERT DR
DOVE DR
XAGEHIRO DR
LOTUS WY
TAMLOW ST
CHERRY ST
RAY HARVEY DR
TOM FOWLER DR
CHERRY BLOSSOM LN
PEONY DR
MEMOR AV
AVALON ST
CORDELIA LN
MIDDLEFIELD DR
NORTHINGTON DR
POPPY HILLS LN
WILDSONG DR
UP RR
42
12
3
13
21
16
8
34
4
5
6
28
26
27
7
41
3
32
14
25
22
9
23
17
2
15
19

APPENDIX C – ASSESSMENT ROLL

The assessment set forth for each parcel is shown on the Assessment Roll for the District, submitted separately, as "Assessment Roll for the City of Tracy, Consolidated Landscape Maintenance District, Fiscal Year 2024-25", which exhibit is incorporated by reference herein as Appendix C under separate cover, and is on file in the Office of the City Clerk.

The Assessment Roll lists all parcels within the boundaries of the District as shown on the Assessment Diagram, Appendix B herein, and on the last equalized roll of the Assessor of the County of San Joaquin, which is by reference made part of this report.

A list of names and addresses of the owners of all parcels within this District is shown on the last equalized Property Tax Roll of the Assessor of the County of San Joaquin, which by reference is hereby made a part of this report. This list is keyed to the Assessor's Parcel Numbers as shown on the Assessment Roll on file in the office of the City Clerk of the City of Tracy.

Summary of Maintenance Activities and Levels of Service

Operational Service Levels

Level A	Level B	Level C
Weekly maintenance and service of parks and streetscapes with tree trimming every 5 years. In general, this level would be reminiscent of the appearance of the landscaping of a bank or professional complex - neat, clean, and green.	Bi-weekly maintenance and service of the parks and streetscapes with tree trimming every 7-8 years. In general, this level would be reminiscent of the appearance of the landscaping of a shopping center or strip mall. One can expect some litter and weeds to accumulate between servicing. Plants will grow out to appear less tidy and amenities may appear dingy and faded.	Monthly maintenance and service of parks and streetscapes with tree trimming every 9-10 years. In general, this level would be reminiscent of the appearance of the landscaping of a parking lot. Litter, weeds, and webs may make these areas look abandoned. Plants and amenities removed will not be replaced.

APPROVED AS TO FORM AND LEGALITY

_____
CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

APPROVING THE ENGINEER'S REPORT FOR THE TRACY CONSOLIDATED LANDSCAPE MAINTENANCE DISTRICT PURSUANT TO THE PROVISIONS OF THE LANDSCAPE AND LIGHTING ACT OF 1972 FOR FISCAL YEAR 2024/2025

WHEREAS, the City Council of the City of Tracy previously formed a special maintenance district, the Tracy Consolidated Landscape Maintenance District ("District"), pursuant to the terms of the Landscaping and Lighting Act of 1972, codified in Division 15, Part 2 of the California Streets and Highways Code ("Act"); and

WHEREAS, the City Council, pursuant to provisions of the Act, proposes to initiate proceedings for the annual levy and collection of assessments against lots and parcels of land within the various Zones of the District for Fiscal Year 2024/2025 to pay costs associated with the maintenance, servicing, and operation of the improvements related thereto; and

WHEREAS, the City Council has retained Harris & Associates ("Harris") for the purpose of assisting with the annual levy of the District and to prepare and file with the City Clerk the Annual Engineers Report ("Report") for the District in accordance with the Act; and

WHEREAS, the improvements within the District may include, but are not limited to, the maintenance, operation and incidental expenses related to: street trees; turf; ground cover and shrubs; irrigation and electrical systems; monuments; fountains; hardscape improvements; masonry walls and other fencing; and all necessary appurtenances and services connected with the landscaped channel-ways, medians, parkways, entryways, parks and public easements and facilities designated and maintained as part of the District improvements; the Report shall provide a more detailed description of the improvements and services provided by the District; and

WHEREAS, the City Council has examined and reviewed the Report as presented by Harris; the City Council is preliminarily satisfied with the description of the District, the Zones, and improvements identified therein; and each of the budget items and documents as set forth therein; the City Council is also satisfied that the proposed assessments have been spread proportionately across the Zones in accordance with the special benefit each property receives from the improvements, operation, maintenance, and services to be performed, as set forth in the Report or as modified by City Council action and incorporated herein.

NOW, THEREFORE, be it resolved as follows:

RESOLVED: That the City Council of the City of Tracy hereby determines the above recitals are true and correct; and be it,

FURTHER RESOLVED: That the City Council hereby modifies and/or approves the Engineer's Report as presented describing improvements to the Tracy Consolidated Landscape Maintenance District for Fiscal Year 2024-2025 attached hereto as Exhibit A, as presented, pursuant to California Streets and Highways Code Section 22623, and shall be filed in the Office of the City Clerk as a permanent record and to remain open to public inspection; and be it,

FURTHER RESOLVED: That this resolution takes effect immediately upon its adoption.

* * * * * * * * * * * * * *

The foregoing Resolution 2024- _____ was adopted by the Tracy City Council on May 21, 2024, 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

Exhibits:

(A) Engineer's Report, Tracy Consolidated Landscape Maintenance District for Fiscal Year 2024-2025

APPROVED AS TO FORM AND LEGALITY

_____
CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

DECLARING THE CITY OF TRACY'S INTENTION TO LEVY ANNUAL ASSESSMENTS FOR THE TRACY CONSOLIDATED LANDSCAPE MAINTENANCE DISTRICT FOR FISCAL YEAR 2024/2025 AND SET A PUBLIC HEARING ON JUNE 18, 2024, AT 7:00 P.M. TO CONSIDER THE SAME IN ACCORDANCE WITH THE LANDSCAPE AND LIGHTING ACT OF 1972

WHEREAS, the City Council, pursuant to provisions of the Landscaping and Lighting Act of 1972, codified in Division 15, Part 2 of the California Streets and Highways Code ("Act"), did by previous Resolution, initiate proceedings for the levy and collection of assessments against lots and parcels within the Tracy Consolidated Landscape Maintenance District ("District") for Fiscal Year 2024/2025; and

WHEREAS, Harris & Associates ("Assessment Engineer") has prepared the District Engineer's Report ("Report") for Fiscal Year 2024/2025; the Report has been reviewed by and presented to City Council pursuant to Streets and Highways Code Section 22623; by Resolution ____, City Council approved the Report and ordered it to be filed with the City Clerk; the Report is incorporated herein by reference; and

WHEREAS, there are forty-one (41) Zones in the District; and

WHEREAS, the District improvements and services in the Zones include, but are not limited to, the maintenance, operation and incidental expenses related to: street trees; turf; ground cover and shrubs; irrigation and electrical systems; monuments; fountains; hardscape improvements; masonry walls and other fencing, and all necessary appurtenances and services connected with the landscaped channel-ways, medians, parkways, entryways, parks and public easements and facilities designated and maintained as part of the District improvements (the "Improvements"); No substantial changes in the Improvements or services are proposed for Fiscal Year 2024/2025 other than to service levels as they correspond to each Zone's funding availability or for the addition of planned improvement areas that were anticipated as part of ongoing development within specific zones; the Report provides a detailed description of Improvements for Zones 1 through 37 and Zones 40 through 43 and the proposed assessments upon lots and parcels of land within the said District and Zones; and

WHEREAS, the proposed District assessments for Fiscal Year 2024/2025 are apportioned according to the rates and method identified in the Report and do not exceed the maximum assessments previously authorized by the City Council and approved by property owners through protest ballot proceedings conducted in accordance with the provisions of the California Constitution Article XIIID; and

WHEREAS, the proposed District assessments for Fiscal Year 2024/2025 are not new or increased assessments pursuant to Government Code Section 54954.6, and be it

NOW, THEREFORE, be it resolved as follows:

RESOLVED: That the City Council of the City of Tracy hereby determines that the above recitals are true and correct; and be it

FURTHER RESOLVED: That the City Council, pursuant to Streets and Highways Code Section 22624, hereby declares its intention to levy and collect assessments on lots and parcels located in the Tracy Consolidated Landscape Maintenance District for Fiscal Year 2024-2025, resulting in an increase in assessments from the previous year, based on the improvements and boundaries further described in the Engineer's Report approved by the City Council by Resolution _____ attached hereto as Exhibit A; and be it

FURTHER RESOLVED: That the City Council, pursuant to Streets and Highways Code Sections 22624(e) and 22625 hereby declares its intention to conduct a Public Hearing on **Tuesday, June 18, 2024,** at 7:00 p.m., or as soon thereafter as feasible, at City Council chambers, located at 333 Civic Center Plaza, Tracy, California to consider approval of the proposed levy of assessments for Fiscal Year 2024/2025 on lots and parcels located in the Tracy Consolidated Landscape Maintenance District for Fiscal Year 2024-2025, as further described in the Engineer's Report approved by the City Council by Resolution _____ attached hereto as Exhibit A.

* * * * * * * * * * * * * *

The foregoing Resolution 2024-_____ was adopted by the Tracy City Council on May 21, 2024, 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

Exhibits:

(A) Engineer's Report, Tracy Consolidated Landscape Maintenance District for Fiscal Year 2024-2025

May 21, 2024

Agenda Item 3.A

RECOMMENDATION

Staff recommends that the City Council (1) Continue the Public Hearing from April 2, 2024, pursuant to Tracy Municipal Code Section 4.12.320, to consider assessment of costs for the abatement of weeds, rubbish, refuse, and flammable materials on the following three parcels: 280 W. Mount Diablo Road, 302 W. Mount Diablo Road, 2480 W. Byron Road, and upon its conclusion, (2) By separate motion approve the final assessment of abatement costs on each of the three parcels.

EXECUTIVE SUMMARY

On April 2, 2024, a public hearing was commenced to consider and approve the final assessment of costs of fire hazard weed abatement on three separate private properties located in the City of Tracy: 280 W. Mount Diablo Road, 302 W. Mount Diablo Road, 2480 W. Byron Road. The City Council continued the hearing to May 21, 2024, and requested staff present an itemized invoice for each parcel, before and after photos of the abatement, and details regarding the contractor selection process.

Upon conclusion of a public hearing, Tracy Municipal Code (TMC) Section 4.12.320 authorizes the City Council to review, modify, and/or confirm, by Motion, a final assessment of weed abatement costs as applied to each particular property owner.

Under the Joint Powers Agreement of the South San Joaquin County Fire Authority (Fire Authority), the Fire Authority is responsible to coordinate abatement activities for hazardous materials and nuisances within the City of Tracy. The Fire Authority's weed abatement contractor has completed the abatement of all fire hazards on designated properties. The contractor has submitted invoices for the abated properties. In accordance with Tracy Municipal Code Section 4.12.320, notices of this hearing relating to the costs of abatements were sent to parcel owners within the City following the abatement. The notice stated the time and date of this public hearing, during which time owners may raise any objections to the final costs of the completed abatement.

BACKGROUND

Under Section 3.1(A)(3) of the Joint Powers Agreement of the South San Joaquin County Fire Authority, the Fire Authority is responsible to coordinate abatement activities for hazardous materials and nuisances within the City of Tracy. Pursuant to the Tracy Municipal Code, a public hearing is required prior to the abatement of any parcels. Sections 4.12.250 through 4.12.340 of the TMC set forth the procedure for the City to abate weeds, rubbish, refuse and flammable material on private property.

The abatement fee process under the Tracy Municipal Code is summarized as follows:

- Under TMC Section 4.12.260: it is expressly declared that the existence of weeds, rubbish, refuse, and flammable material in, upon, or in front of any vacant lot or other property on any street, parkway, sidewalk, or alley in the City is a public nuisance and dangerous to the public health and safety of the inhabitants of the City.

- Under TMC Section 4.12.280: the Fire Chief notifies the property owner of the public nuisance by certified mail to such property owner, notifies them to abate the public nuisance, and provides a date for public hearing within 20 days to contest the order. This TMC Section expressly states, in pertinent part: "Such address shall be conclusively deemed to be the proper address for the purpose of mailing such notice. The failure or refusal of any person to receive such notice shall not affect the validity of any proceedings pursuant to the provisions of this Article."

- Under TMC Section 4.12.290: City Council holds a public hearing within 20 days of the notice regarding "any and all objections to the proposed abatement." This Section does not require a public hearing if no objections are submitted. City Council is authorized to allow or overrule objections, and to issue a final order to the abatement of the nuisance.

- TMC Section 4.12.300 provides: after the Council's order of abatement, "In the event any property owner fails, refuses, or neglects within a period of twenty (20) days to remove any such thing. . .the City may cause such work of removal to be done. Any property owner may abate the nuisance at his own expense prior to abatement by the City."

- TMC Section 4.12.320 provides that after the City performs the abatement, the Fire Chief notifies the property owner of the costs of abatement and a date of public hearing with the City Council by which to object to those costs. This section authorizes Council to consider objections and modify the report of costs and confirm the final report and assessment of costs by resolution or motion.

Notices to Each Property Owner

In the instant matter, the procedural notice and hearing history is identical for each of the three properties: 280 W. Mount Diablo Road, 302 W. Mount Diablo Road, 2480 W. Byron Road. Pursuant to TMC Section 4.12.280, the Fire Authority sent a notice to each of the property owners listed in **Exhibit A** to this staff report. This notice was sent after multiple unsuccessful attempts to obtain voluntary compliance from each property owner. The notice required each owner to abate weeds, rubbish, refuse and flammable material on his/her parcel within twenty (20) days, and informed the property owner(s) that a public hearing would be conducted, where any protests regarding the notice to abate would be heard. The Tracy Municipal Code provides that upon failure of the owner, or authorized agent, to abate within 20 days from the date of notice, the City will perform the necessary work by private contractor and the cost of such work will be made a personal obligation of the owner.

In accordance with TMC Section 4.12.290, the City Council conducted properly noticed public hearings on September 5, 2023 for 2480 W. Byron Road and September 19, 2023 for 280 W. Mount Diablo Road and 302 W. Mount Diablo Road. Upon conclusion of such hearings authorized the abatement of the properties listed in **Exhibit A** (see Resolutions 2023-184 and 2023-199). Based on the Council's actions, the Fire Authority directed the Greater Valley Conservation Corps of the San Joaquin County Office of Education to complete the abatement of the listed properties. The abatement was completed at a cost to the City of $16,956.42. The previously reported costs of abatement included the abatement costs plus a 25% overhead charge. It has been determined that removing the 25% overhead charge from the previously reported weed abatement costs is in the best interest of the City, ensuring compliance with legal guidelines.

Under the provisions of TMC Section 4.12.320, the Fire Authority timely notified affected property owners of the costs of abatement and this public hearing, wherein Council would consider the report of costs and any objections of the property owners liable for the cost of abatement.

On April 2, 2024, a public hearing was held to review the final costs of abatement. Council continued the hearing to May 21, 2024, and requested an itemized invoice for each parcel, before and after photos of the abatement, and details regarding the contractor selection process.

DISCUSSION

Contractor Selection Process

The contractor was selected through a Request for Proposal (RFP) process. Initially, the first RFP did not attract any bids by the deadline and was subsequently reissued. The second RFP attracted a single bid from the Greater Valley Conservation Corps. In August 2020, the Fire Authority Board of Directors ratified a General Services Agreement with this organization to provide weed abatement services. This agreement, which included an option for extension, was renewed in 2023, updating the rates for services which are provided both daily and hourly as detailed in **Exhibit B**.

Facts In Support of Assessment of Abatement Costs

Staff recommends City Council determine and approve by Motion a final assessment of abatement costs for each property based on the facts described below, attached hereto, and received at the hearing.

(A) 280 W Mount Diablo Road:

Pursuant to TMC Section 4.12.280, the Fire Authority sent a notice of abatement. Then, City Council conducted a properly noticed public hearing on September 19, 2023 to consider the order of abatement, which Council so-approved by City Council Resolution 2023-199.

The parcel is a vacant lot. The abatement service at this property location occurred on October 4, 5, and 6, 2024. Staff from the Greater Valley Conservation Corps were present each day, leading to a total labor cost of $6,330, based on a daily rate of $2,110. Additional

costs of $1,093.21 were incurred for material dumping and hauling. The total cost of the abatement was $7,423.21. The itemized invoice and available pictures are included as **Exhibit C**.

(B) 302 W Mount Diablo Road:

Pursuant to TMC Section 4.12.280, the Fire Authority sent a notice of abatement. Then, City Council conducted a properly noticed public hearing on September 19, 2023 to consider the order of abatement, which Council so-approved by City Council Resolution 2023-199.

The parcel contains a vacant single-family dwelling. The abatement service at this property location occurred on October 9, 10, and 11, 2024. Similar to the previous parcel, the daily rate of $2,110 was applied, amounting to a labor cost of $6,330, with an additional cost of $1,093.21 for dumping and hauling. The total cost of the abatement service was $7,423.21. The itemized invoice and available pictures are included as **Exhibit D** hereto.

(C) 2480 W Byron Road:

Pursuant to TMC Section 4.12.280, the Fire Authority sent a notice of abatement. Then, pursuant to TMC Section 4.12.290, the City Council conducted properly noticed public hearing on September 5, 2023 to consider the order of abatement, which Council so-approved by City Council Resolution 2023-184.

The parcel is a vacant lot. The abatement service at this property location occurred on January 9, 2024. This parcel required a single day of service with the daily rate of $2,110 applied. There were no additional charges for material disposal. The itemized invoice and available pictures are included as **Exhibit E** hereto.

STRATEGIC PLAN

This agenda item is a routine operational item and does not relate to the Council's Strategic Plans.

FISCAL IMPACT

There is no fiscal impact to the City. Weed abatement services are provided on a cost recovery basis. Actual costs incurred by the City to provide weed abatement services plus a twenty-five percent administrative charge are billed to the property owner.

CEQA

This item is exempt from review under the California Environmental Quality Act (California Public Resources Code §§ 21000, et seq., "CEQA") and CEQA regulations (14 California Code of Regulations §§ 15000, et seq.; 'CEQA Guidelines") in that it is not a "project" for purposes of CEQA (as defined by CEQA Guidelines §15378). Specifically, this item proposes an organizational or administrative activity that will not result in a direct or indirect physical change in the environment (CEQA Guidelines §§15378(b)(5)).

RECOMMENDATION

Staff recommends that the City Council (1) Continue the Public Hearing from April 2, 2024, pursuant to Tracy Municipal Code Section 4.12.320, to consider assessment of costs for the abatement of weeds, rubbish, refuse, and flammable materials on the following three parcels: 280 W. Mount Diablo Road, 302 W. Mount Diablo Road, 2480 W. Byron Road, and upon its conclusion, (2) By separate motion approve the final assessment of abatement costs on each of the three parcels.

Prepared by: Timothy Spears, Fire Marshal

Reviewed by: Randall Bradley, Fire Chief
Sara Cowell, Director of Finance
Karin Schnaider, Assistant City Manager
Bijal Patel, City Attorney

Approved by: Midori Lichtwardt, City Manager

ATTACHMENTS

1. Exhibit A – List of Parcels
2. Exhibit B – Rate of Service
3. Exhibit C – Itemized invoice for 280 W Mount Diablo
4. Exhibit D – Itemized invoice for 302 W Mount Diablo
5. Exhibit E – Itemized invoice for 2480 W Byron Road
6. Exhibit F – Powerpoint Presentation

EXHIBIT A

South San Joaquin County Fire Authority Weed Abatement							
APN	SITUS ADDRESS	NAME/BUSINESS	MAILING ADDRESS	CITY	STATE	ZIP	Cost
23510071	280 W Mt Diablo Ave	GANESAN RAMU & VASANTHA TR	5831 Avellina Dr	Dublin	CA	94568	$7,423.21
23510015	302 W. Mt. Diablo Ave	KHINDA MOHINDER S ETAL	2316 Highiet Ct	Tracy	CA	95377	$7,423.21
238-050-20	2480 W Byron Rd	Patel Panchaksha C ETAL	469 W Bonaventure Ave.	Mountain House	CA	95391	$2,110

EXHIBIT B

Date: June 5, 2023

To: Tim Spears (Fire Marshal)
Agency: South San Joaquin County Fire Authority
RE : Hourly Labor Services
From: Michael Totten – Greater Valley Conservation Corps License# 1075473

Tim,

Below is the proposal for GVCC to provide South San Joaquin County Fire Authority with an hourly labor service. GVCC will provide one lead and one-five corpsmembers for the duration of this project.

Services include:

- **Urban Forestry**
- **Lite Construction-Deconstruction**
- **Invasive Species Removal**
- **Tree Trimming, Removal, liming, bucking brush, chipping and stump grinding and Stump removals**
- **Earth Moving services/Excavations**
- **Large acer mowing and discing / Fuel Load Reduction**
- **Line trimming services**
- **Irrigation Repairs**
- **Hauling and disposal**

HOURLY RATES:
Project Managers: $85.00 per hour
Supervisor (Equipment Operators) Rates: $60.50 per hour
Hourly Rate per lead: $50.50 per hour
Hourly Rate per corpsmember: $30.50 per hour

Equipment Rates

Unit	Day	Week	Month
T595 Bobcat Track Skid Steer	$ 350.00	$ 1,300.00	$ 4,000.00
Bucket	$ -	$ -	$ -
Grappler Bucket (Brush Grapple)	$ 100.00	$ 400.00	$ 1,400.00
Brush Cat Rotary Mower	$ 200.00	$ 800.00	$ 2,000.00
72" Rotor Tiller ATT	$ 150.00	$ 600.00	$ 1,800.00
Job Site Sweeper ATT	$ 150.00	$ 600.00	$ 1,800.00
Stump Grinder LARGE	$ 200.00	$ 800.00	$ 2,000.00
Ditch Witch SK-750 Skid Steer	$ 200.00	$ 800.00	$ 2,000.00
Buckets	$ -	$ -	$ -
Rotor tiller 48"	$ 100.00	$ 400.00	$ 1,400.00
Stump Grinder small	$ 100.00	$ 400.00	$ 1,400.00
Brush Grappler	$ 100.00	$ 400.00	$ 1,400.00
E-26 Compact Excavator	$ 350.00	$ 1,300.00	$ 4,000.00
Buckets: 12"-24"-36"	0	0	0
Auger ATT with bit 12"	$ 100.00	$ 400.00	$ 1,400.00
Breaker ATT Demo Bit	$ 150.00	$ 400.00	$ 1,400.00
Bobcat Tractor / Front loader	$ 350.00	$ 1,300.00	$ 4,000.00
Drop Down Disc	$ 150.00	$ 600.00	$ 1,800.00
Flair Mower ATT	$ 200.00	$ 800.00	$ 2,400.00
Woodchipper Bandit 12XP	$ 350.00	$ 1,300.00	$ 4,000.00
Tow Behind Compressor	$ 185.00	$ 700.00	$ 1,800.00
Hammer Head Boring bit	$ 100.00	$ 400.00	$ 1,400.00
Spreader Sprayer Ride On	$ 185.00	$ 700.00	$ 1,800.00
Boom Lift 40 foot	$ 350.00	$ 1,300.00	$ 4,000.00

- **GVCC will provide all labor and equipment needed to complete this project.**

- **GVCC will provide one crew leader and one-five corpsmembers for the duration of this project.**
- **GVCC time starts 7:00am – ends 3:30 pm back at GVCC facility. Drive time is included in rate.**

- **IF large equipment is needed rates are included (SEE ATTCHMENTS).**

- **Any materials or supplies purchased by GVCC will be included with receipts in monthly invoice.**

- **ALL GVCC employees will be in all personal protection equipment (PPE) for duration of this project.**

- **GVCC will provide all proper insurance documents prior to beginning work.**

South San Joaquin County Fire Authority will notify GVCC a week in advance if GVCC is not needed any longer. South San Joaquin County Fire Authority will oversee not to exceed amount for the duration of this project.

Date: June 5, 2023

To: Tim Spears (Fire Marshal)
Agency: South San Joaquin County Fire Authority
RE : Daily Labor Services
From: Michael Totten – Greater Valley Conservation Corps License# 1075473

Tim,

Below is the proposal for GVCC to provide South San Joaquin County Fire Authority with a Daily Rate service. GVCC will provide one lead and one-five corpsmembers for the duration of this project.

Services include:

- **Urban Forestry**
- **Lite Construction-Deconstruction**
- **Invasive Species Removal**
- **Tree Trimming, Removal, liming, bucking brush, chipping and stump grinding and Stump removals**
- **Earth Moving services/Excavations**
- **Large acer mowing and discing / Fuel Load Reduction**
- **Line trimming services**
- **Irrigation Repairs**
- **Hauling and disposal**

Daily Rate:

- **GVCC daily rate manual weed abatement (includes: hand tools, small equipment): $1,560.00**

- **GVCC daily rate mechanical weed abatement (Includes: everything above plus Bobcat + Attachment or Tractor plus Attachment): $2,110.00**

- **GVCC will provide all labor and equipment needed to complete this project.**

- **GVCC will provide one crew leader and one-five corpsmembers for the duration of this project.**
- **GVCC time starts 7:00am – ends 3:30 pm back at GVCC facility. Drive time is included in rate.**

- **IF large equipment is needed rates are included (SEE ATTCHMENTS).**

- **Any materials or supplies purchased by GVCC will be included with receipts in monthly invoice.**

- **ALL GVCC employees will be in all personal protection equipment (PPE) for duration of this project.**

- **GVCC will provide all proper insurance documents prior to beginning work.**

South San Joaquin County Fire Authority will notify GVCC a week in advance if GVCC is not needed any longer. South San Joaquin County Fire Authority will oversee not to exceed amount for the duration of this project.

EXHIBIT C

San Joaquin County Office of Education

Program Business Services
P.O. Box 213030
Stockton, CA 95213
(209)468-4800

Direct any questions to the Program Business Services at (209)468-4800

CUSTOMER INVOICE

South San Joaquin County
Fire Authority
835 Central Avenue
Tracy, CA 95376

Ready

Invoice # **ARD24-01778**
Invoice Date 11/08/2023
Due Date 12/08/2023
Customer # 004455
Contract/Reference #

Description	Qty	Unit	Unit Price	Amount
GVCC provided labor and equipment for weed abatement at 280 W. Mt Diablo, Tracy CA 95376. For questions or concerns, please contact Chinh Thompson at 209-292-2706 or cthompson@sjcoe.net	1.00		7,423.21	7,423.21

Non-Taxable Total 7,423.21
BALANCE DUE **$7,423.21**

----------Detach this portion or make a copy of the invoice and mail it with the payment----------

District Account Number		Account Amount
01-9010-0-0000-0000-8689-700-6268	2024	7,423.21

Please make checks payable to: **San Joaquin County Office of Education/Program Business Services**
Mail to:

San Joaquin County Office of Education
Program Business Services
P.O. Box 213030
Stockton, CA 95213

Invoice # **ARD24-01778**
Amount Due $7,423.21
Customer # 004455

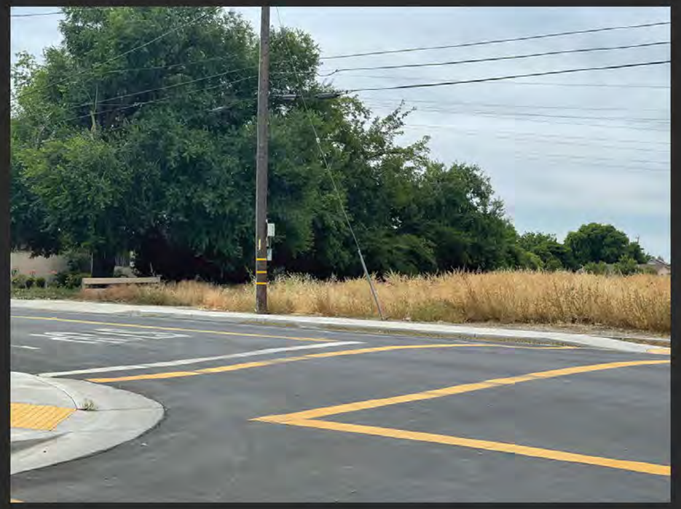
Program Copy

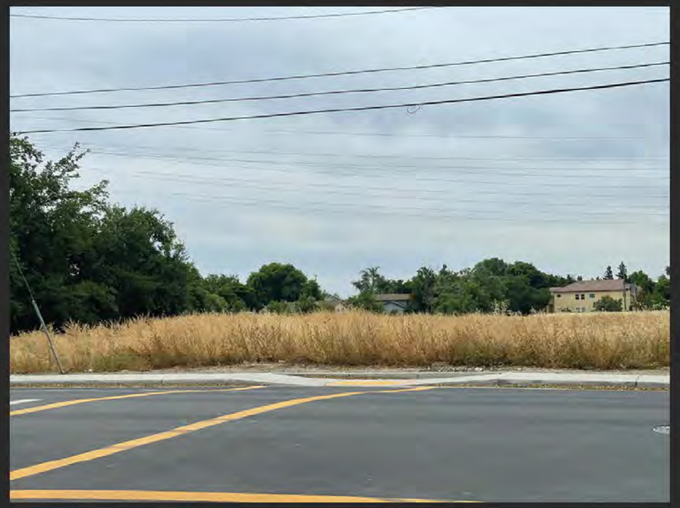
Roster Date	Total Hours	Employee Name	Activities / Jobs (Multiple)
10/4/2023 0:00	7.50	[redacted]	San Joaquin County,Weed Abatement Hours: 7.50, 0.00 - John Deere
10/4/2023 0:00	7.50	[redacted]	San Joaquin County,Weed Abatement Hours: 7.50, 0.00
10/4/2023 0:00	7.50	[redacted]	San Joaquin County,Weed Abatement Hours: 7.50, 0.00
10/4/2023 0:00	7.50	[redacted]	San Joaquin County,Weed Abatement Hours: 7.50, 0.00
10/5/2023 0:00	8.00	[redacted]	S.San Joaquin Fire Authority,Debris Removal Hours: 8.00, 0.00 - John Deere
10/5/2023 0:00	8.00	[redacted]	S.San Joaquin Fire Authority,Debris Removal Hours: 8.00, 0.00
10/5/2023 0:00	8.00	[redacted]	S.San Joaquin Fire Authority,Debris Removal Hours: 8.00, 0.00
10/5/2023 0:00	8.00	[redacted]	S.San Joaquin Fire Authority,Debris Removal Hours: 8.00, 0.00
10/6/2023 0:00	8.00	[redacted]	S.San Joaquin Fire Authority,Chainsaw Hours: 8.00, 0.00 - Skid Steer
10/6/2023 0:00	8.00	[redacted]	S.San Joaquin Fire Authority,Chainsaw Hours: 8.00, 0.00
10/6/2023 0:00	8.00	[redacted]	S.San Joaquin Fire Authority,Chainsaw Hours: 8.00, 0.00
10/6/2023 0:00	8.00	[redacted]	S.San Joaquin Fire Authority,Chainsaw Hours: 8.00, 0.00
10/6/2023 0:00	8.00	[redacted]	S.San Joaquin Fire Authority,Chainsaw Hours: 8.00, 0.00

Daily Rate/Mechanical	$	2,110.00
Number of Days		3.00
Total Labor	$	6,330.00
Disposal Dumping and Hauling Fee	$	1,093.21
Grand Total	**$**	**7,423.21**

280 W Mt Diablo Ave

- Inspection - May 28, 2023
- Inspection Notes: “Overgrown dry grass and weeds. Requires immediate removal.”
- Pictures from the inspection report







280 W Mt Diablo Ave

- Inspection - June 26, 2023
- Inspection Notes: “ Upon re-inspection the property had been mowed but thick, piled clippings remained. Still a fire hazard. If mowed all clippings must be removed from the property. If disced sufficient passes must be made so that majority of vegatation is covered to prevent the spread of fire.”







280 W Mt Diablo Ave

- Inspection - July 28, 2023
- Inspection Notes: “Property remains a fire hazard after two re-inspections. Overgrown dry grass and weeds were cut and left piled on property. If the property is mowed all the clippings must be removed. If disced sufficient passes must be made to cover the majority of vegetation to prevent the spread of fire.”







280 W Mt Diablo Ave

- Inspection - August 21, 2023
- Inspection Notes: “Upon third re-inspection, clipping remained piled on ground, still presenting a fire hazard.”







280 W Mt Diablo Ave

Photo at the start of the abatement conducted by the contractor



280 W Mt Diablo Ave

Photo during abatement conducted by the contractor



280 W Mt Diablo Ave

Photos of the before and after a section of the abatement conducted by the contractor

Before



After



280 W Mt Diablo Ave

Photo after abatement conducted by the contractor



280 W Mt Diablo Ave

Photo after abatement conducted by the contractor



280 W Mt Diablo Ave

Photos after the abatement conducted by the contractor











EXHIBIT D

San Joaquin County Office of Education

Program Business Services
P.O. Box 213030
Stockton, CA 95213
(209)468-4800

Direct any questions to the Program Business Services at (209)468-4800

CUSTOMER INVOICE

South San Joaquin County
Fire Authority
835 Central Avenue
Tracy, CA 95376

Ready

Invoice # **ARD24-01705**
Invoice Date 11/02/2023
Due Date 12/02/2023
Customer # 004455
Contract/Reference #

Description	Qty	Unit	Unit Price	Amount
GVCC provided labor and equipment for weed abatement at 302 W Mt. Diablo, Tracy CA 95376. For questions or concerns, please contact Chinh Thompson at 209-292-2706 or cthompson@sjcoe.net	1.00		7,423.21	7,423.21

Non-Taxable Total 7,423.21
BALANCE DUE **$7,423.21**

----------Detach this portion or make a copy of the invoice and mail it with the payment----------

District Account Number		Account Amount
01-9010-0-0000-0000-8689-700-6268	2024	7,423.21

Please make checks payable to: **San Joaquin County Office of Education/Program Business Services**
Mail to:

San Joaquin County Office of Education
Program Business Services
P.O. Box 213030
Stockton, CA 95213

Invoice # **ARD24-01705**
Amount Due $7,423.21
Customer # 004455

Business Copy

Roster Date	Total Hours	Employee Name	Activities / Jobs (Multiple)
10/9/2023 0:00	8.00	[redacted]to	S.San Joaquin Fire Authority,Weed Eating Hours: 8.00, 0.00 - Bobcat
10/9/2023 0:00	8.00	[redacted]	S.San Joaquin Fire Authority,Weed Eating Hours: 8.00, 0.00
10/9/2023 0:00	8.00	[redacted]	S.San Joaquin Fire Authority,Weed Eating Hours: 8.00, 0.00
10/9/2023 0:00	8.00	[redacted]	S.San Joaquin Fire Authority,Weed Eating Hours: 8.00, 0.00
10/10/2023 0:00	8.00	[redacted]	S.San Joaquin Fire Authority,Debris Removal Hours: 8.00, 0.00 - Bobcat
10/10/2023 0:00	8.00	[redacted]	S.San Joaquin Fire Authority,Debris Removal Hours: 8.00, 0.00
10/10/2023 0:00	8.00	[redacted]	S.San Joaquin Fire Authority,Debris Removal Hours: 8.00, 0.00
10/10/2023 0:00	8.00	[redacted]	S.San Joaquin Fire Authority,Debris Removal Hours: 8.00, 0.00
10/11/2023 0:00	8.00	[redacted]	S.San Joaquin Fire Authority,Weed Eating Hours: 8.00, 0.00 - Bobcat
10/11/2023 0:00	8.00	[redacted]	S.San Joaquin Fire Authority,Weed Eating Hours: 8.00, 0.00
10/11/2023 0:00	8.00	[redacted]	S.San Joaquin Fire Authority,Weed Eating Hours: 8.00, 0.00
10/11/2023 0:00	8.00	[redacted]	S.San Joaquin Fire Authority,Weed Eating Hours: 8.00, 0.00
10/11/2023 0:00	8.00	[redacted]	S.San Joaquin Fire Authority,Weed Eating Hours: 8.00, 0.00

Daily Rate/Mechanical	$	2,110.00
Number of Days		3.00
Total Labor	$	6,330.00
Disposal Dumping and Hauling Fee	$	1,093.21
Grand Total	**$**	**7,423.21**

302 W Mt Diablo Ave

- Inspection - May 28, 2023
- Inspection Notes: “Overgrown dry grass and weeds. Requires immediate removal.
- Photos from the inspection report





302 W Mt Diablo Ave

Inspection - June 26, 2023

Inspection Notes: “Upon re-inspection property had been mowed, but thick piled clippings remain. Still a fire hazard. If mowed all clippings must be removed from the property. If disced, sufficient passes must be made to cover the majority of the vegetation to not allow for the spread of fire.”













302 W Mt Diablo Ave

Inspection - July 28, 2023

Inspection Notes: “ Property remains a fire hazard after two re-inspections. Overgrown dry grass and weeds were cut and left piled on property. If the property is mowed all the clippings must be removed. If disced sufficient passes must be made to cover the majority of vegetation to prevent the spread of fire.”













302 W Mt Diablo Ave

Inspection - August 21, 2023
Inspection Notes: “Upon re-inspection clippings remained piled on the property, still presentng a fire hazard.”







302 W Mt Diablo Ave

Photos before the abatement conducted by the contractor



302 W Mt Diablo Ave

Photos during the abatement conducted by the contractor



302 W Mt Diablo Ave

Photos during the abatement conducted by the contractor



302 W Mt Diablo Ave

Photos during the abatement conducted by the contractor



302 W Mt Diablo Ave

Photos of the before and after a section of the abatement conducted by the contractor

Before



After





302 W Mt Diablo Ave

Photos of the before and after a section of the abatement conducted by the contractor

Before



After



302 W Mt Diablo Ave

Photos of the before and after a section of the abatement conducted by the contractor

Before



After



302 W Mt Diablo Ave

Photos during abatement conducted by the contractor





302 W Mt Diablo Ave

Photos during abatement conducted by the contractor





302 W Mt Diablo Ave

Photos after the abatement conducted by the contractor



302 W Mt Diablo Ave

Photos after the abatement conducted by the contractor



EXHIBIT E

San Joaquin County Office of Education

Program Business Services
P.O. Box 213030
Stockton, CA 95213
(209)468-4800

Direct any questions to the Program Business Services at (209)468-4800

CUSTOMER INVOICE

South San Joaquin County
Fire Authority
835 Central Avenue
Tracy, CA 95376

Ready

Invoice # **ARD24-02446**
Invoice Date 01/22/2024
Due Date 02/21/2024
Customer # 004455
Contract/Reference #

Description	Qty	Unit	Unit Price	Amount
GVCC provided labor and equipment for weed abatement at 2480 W Byron Road. For questions or concerns, please contact Chinh Thompson at 209-292-2706 or cthompson@sjcoe.net	1.00		2,110.00	2,110.00

Non-Taxable Total 2,110.00
BALANCE DUE **$2,110.00**

----------Detach this portion or make a copy of the invoice and mail it with the payment----------

District Account Number		Account Amount
01-9010-0-0000-0000-8689-700-6268	2024	2,110.00

Please make checks payable to: **San Joaquin County Office of Education/Program Business Services**
Mail to:

San Joaquin County Office of Education
Program Business Services
P.O. Box 213030
Stockton, CA 95213

Invoice # **ARD24-02446**
Amount Due $2,110.00
Customer # 004455

Program Copy

Roster Date	Total Hours	Employee Name	Activities / Jobs (Multiple)
1/9/2024 0:00	8.00	[redacted]	S.San Joaquin Fire Authority,Weed Eating Hours: 8.00, 0.00 - Tractor CT5558
1/9/2024 0:00	8.00	[redacted]	S.San Joaquin Fire Authority,Weed Eating Hours: 8.00, 0.00
1/9/2024 0:00	8.00	[redacted]	S.San Joaquin Fire Authority,Weed Eating Hours: 8.00, 0.00
1/9/2024 0:00	8.00	[redacted]	S.San Joaquin Fire Authority,Weed Eating Hours: 8.00, 0.00
1/9/2024 0:00	8.00	[redacted]	S.San Joaquin Fire Authority,Weed Eating Hours: 8.00, 0.00
1/9/2024 0:00	8.00	[redacted]	S.San Joaquin Fire Authority,Weed Eating Hours: 8.00, 0.00

Daily Rate/Mechanical	$2110.00
Number of Days	1.00
Total Labor	$2110.00

2480 Byron RD

- Inspection - May 14, 2023
- Inspection Notes: “Overgrown, dry grass and weeds. Requires immediate removal.”







2480 Byron RD

- Inspection - June 4, 2023
- Inspection Notes: “Overgrown, dry grass and weeds. Requires immediate removal.”







2480 Byron RD

- Inspection - June 26, 2023







2480 Byron RD

- Inspection - July 28, 2023
- Inspection Notes: “After 3rd re-inspection the property remains a hazard.”
- Pictures from the inspection report







2480 Byron RD

Photos before the abatement conducted by the contractor



2480 Byron RD

Photos before the abatement conducted by the contractor



2480 Byron RD

Photos before the abatement conducted by the contractor



2480 Byron RD

Photos before the abatement conducted by the contractor



2480 Byron RD

Photos before the abatement conducted by the contractor



EXHIBIT F

A Report on the Final Cost for Abatement For 2023

Fire Marshal Tim Spears

May 21, 2024

Vegetation Management

- The South San Joaquin County Fire Authority is responsible coordinating weed abatement activities
- The Fire Authority conducts inspections of parcels to ensure they do not present a fire hazard
- An inspection report is generated with each site visit
- If it is determined corrective action is needed an inspection report and letter is sent to the parcel owner
- The letter details the minimum standards to abate the hazard

WEED ABATEMENT PROCESS



Receive the Complaint

SSJCFA is informed of the potential excessive vegetation growth and fire hazard



Inspection and 1st Notice

SSJCFA mails a notice to property owner to abate the overgrown vegetation within 20 days.



Re-inspection and 2nd Notice

SSJCFA mails re-inspection notice to owner notifying them of the continued hazard and to abate the overgrown vegetation within 15 days



Re-inspection and 3rd Notice

SSJCFA mails re-inspection notice to owner notifying them of the continued hazard and to abate the overgrown vegetation. Also advise of the public hearing to abate.



Forced Abatement

Public hearing to abate and subsequent abatement if approved

Vegetation Management

- **Municipal Compliance**: Property owners must clean up weeds and debris as required by the City of Tracy Municipal Code (Article 6, Section 4.12.280).
- **Owner Responsibilities**: Property owners are responsible for regular maintenance to meet safety standards.
- **Weed Removal Methods**: Approved methods include discing, rototilling, or mowing, and removal of the cuttings. Stubble height must not exceed four inches if mowed.
- **Area Specific Maintenance**: Weeds must be removed from all property areas including street fronts, park strips, sidewalks, and along fences.
- **Non-Compliance Penalties**: Failure to comply within 20 days may lead to city intervention with costs charged to the property owner and possible liens.
- Compliance avoids potential charges, such as fire suppression costs due to hazards.

SOUTH SAN JOAQUIN COUNTY FIRE AUTHORITY

Community Risk Reduction

DATE:

NOTICE TO CLEAN PROPERTY

Dear Property Owner,

In accordance with the provisions of Article 6, Section 4.12.280 of the City of Tracy Municipal Code, notice is hereby given to:

CLEAN PROPERTY OF WEEDS, RUBBISH, REFUSE, AND FLAMMABLE MATERIAL, WHICH IS A PUBLIC NUISANCE AND DANGEROUS TO PUBLIC HEALTH AND SAFETY OF THE INHABITANTS OF THE CITY.

APN:

Address of Inspected Property:

IF YOU HAVE ALREADY CLEANED YOUR PROPERTY, please check the specifications listed below to make sure you have satisfied the minimum requirements. It is the property owner's responsibility to clean and MAINTAIN the property in a manner consistent ~~with the minimum standards.~~

Growth of weeds and grasses may be removed by discing, rototilling, or mowing and removal of the cuttings. If you spray the weeds, you still need to remove the remains.

- If discing or rototilling is done, sufficient passes must be made to cover the vegetation so that it will not allow the spread of fire.
- In order to prevent the spread of fire, if the property is mowed, the stubble must be no more than four inches in height. The cuttings must be removed from the property.
- If the property fronts a street on which a park strip is located between the curb and the sidewalk, the weeds shall be removed from the area in a similar manner.
- Removal of the vegetation shall also include the vegetation along and in the sidewalk, gutter/street areas and along fence lines.

Should a property owner fail to clean this property within a period of twenty (20) days after written notice has been given, the work shall be done by City authority and costs associated with the abatement shall be charged to the owner and may become a lien on the property.

You are encouraged to maintain your property in a manner consistent with the above minimum standards. Any person who has received a weed abatement notice and fails to remove the hazard and properly maintain the property may be charged fire suppression costs for any fire occurring on that property.

Sincerely,



835 Central Avenue, Tracy, CA 95376 | Tel: (209)831-6700

Selection of Contractor

- A request for proposal was posted on (2) separate occasions.
- The first posting did not yield any bids by the closing date and was reposted. With the second posting we received (1) bid from the Greater Valley Conservation Corps.
- In August of 2020 the Fire Authority Board of Directors approved a General Services Agreement with the Greater Valley Conservation Corps to provide weed abatement services
- The agreement included an option to extend and in 2023 the agreement was extended.
- With the extension, rates for services were updated

Greater Valley Conservation Corps

- Hourly Rates:
  - Project Managers - $85 per hour
  - Supervisor - $60.50
  - Hourly Rate per lead - $50.50
  - Hourly Rate per corpsmember - $30.50

- Daily Rates:
  - Daily rate for manual weed abatement - $1,560
  - Daily rate for mechanical weed abatement - $2,110

- Rates provided for different equipment
- Disposal fees with an additional 25% hauling and handling

280 W Mt Diablo Ave



- Notices to clean the property
  - First notice sent - 5/31/2023
  - Second notice sent - 6/29/2023
  - Third notice sent - 8/2/2023
  - Fourth notice and advisement of public hearing for abatement
    - 8/23/2023

- On September 19, 2023 a public hearing was held to consider the abatement and it was approved by Council
- The parcel was abated by the Greater Valley Conservation Corps of the San Joaquin County Office of Education in October of 2023
  - Equipment included: bobcat skid steer, Diamond mower, disc, and brush grapple
  - Abatement also included hauling and disposal
- Notice of the public hearing to report costs
  - Notice sent - 3/22/2023

280 W Mt Diablo Ave

- Abatement
  - Number days: 3
  - Conducted over October 4, 5, & 6
  - Multiple staff each day
  - Disposal and hauling

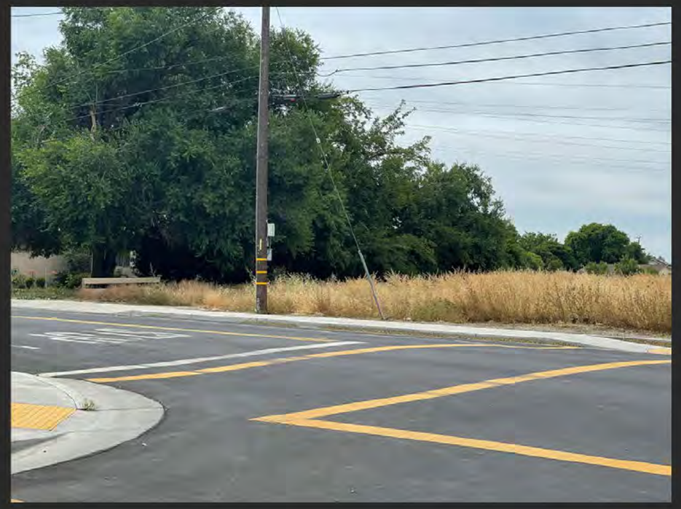
- Daily Rate/Mechanical $2,110
- Number of Days: 3
- Total Labor : $6,330

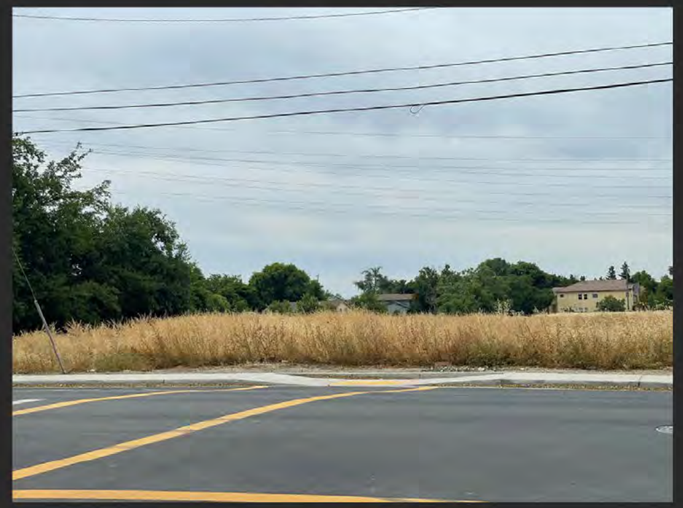
- Disposal Dumping and Hauling: $1,093.21

- Grand Total: $7,423.21

280 W Mt Diablo Ave

- Inspection - May 28, 2023
- Inspection Notes: “Overgrown dry grass and weeds. Requires immediate removal.”
- Pictures from the inspection report







280 W Mt Diablo Ave

- Inspection - June 26, 2023
- Inspection Notes: “ Upon re-inspection the property had been mowed but thick, piled clippings remained. Still a fire hazard. If mowed all clippings must be removed from the property. If disced sufficient passes must be made so that majority of vegatation is covered to prevent the spread of fire.”







280 W Mt Diablo Ave

- Inspection - July 28, 2023
- Inspection Notes: “Property remains a fire hazard after two re-inspections. Overgrown dry grass and weeds were cut and left piled on property. If the property is mowed all the clippings must be removed. If disced sufficient passes must be made to cover the majority of vegetation to prevent the spread of fire.”







280 W Mt Diablo Ave

- Inspection - August 21, 2023
- Inspection Notes: “Upon third re-inspection, clipping remained piled on ground, still presenting a fire hazard.”







280 W Mt Diablo Ave

Photo at the start of the abatement conducted by the contractor



280 W Mt Diablo Ave

Photo during abatement conducted by the contractor



280 W Mt Diablo Ave

Photos of the before and after a section of the abatement conducted by the contractor

Before



After



280 W Mt Diablo Ave

Photo after abatement conducted by the contractor



280 W Mt Diablo Ave

Photo after abatement conducted by the contractor



280 W Mt Diablo Ave

Photos after the abatement conducted by the contractor












280 W Mt Diablo Ave
Photo on May 15, 2024

302 W Mt Diablo Ave



- Notices to clean the property
  - First notice - 6/1/2023
  - Second notice - 6/29/2023
  - Third notice - 8/2/2023
  - Fourth notice and advisement of public hearing for abatement
    - 8/23/2023
- On September 19, 2023 a public hearing was held to consider the abatement and it was approved by Council
- The parcel was abated by the Greater Valley Conservation Corps of the San Joaquin County Office of Education in October of 2023
  - Equipment included: bobcat skid steer, Diamond mower, disc, and brush grapple
  - Abatement also included hauling and disposal
- Notice on public hearing to report costs
  - Notice sent - 3/22/2023

302 W Mt Diablo Ave

- Abatement
  - Number days 3
  - Conducted over October 9, 10, & 11
  - Multiple staff each day
  - Disposal and hauling

- Daily Rate/Mechanical $2,110
- Number of Days: 3
- Total Labor : $6,330

- Disposal Dumping and Hauling: $1093.21

- Grand Total: $7,423.21

302 W Mt Diablo Ave

- Inspection - May 28, 2023
- Inspection Notes: “Overgrown dry grass and weeds. Requires immediate removal.
- Photos from the inspection report





302 W Mt Diablo Ave

Inspection - June 26, 2023

Inspection Notes: “Upon re-inspection property had been mowed, but thick piled clippings remain. Still a fire hazard. If mowed all clippings must be removed from the property. If disced, sufficient passes must be made to cover the majority of the vegetation to not allow for the spread of fire.”













302 W Mt Diablo Ave

Inspection - July 28, 2023

Inspection Notes: “ Property remains a fire hazard after two re-inspections. Overgrown dry grass and weeds were cut and left piled on property. If the property is mowed all the clippings must be removed. If disced sufficient passes must be made to cover the majority of vegetation to prevent the spread of fire.”













302 W Mt Diablo Ave

Inspection - August 21, 2023
Inspection Notes: “Upon re-inspection clippings remained piled on the property, still presentng a fire hazard.”







302 W Mt Diablo Ave

Photo before the abatement conducted by the contractor



302 W Mt Diablo Ave

Photo during the abatement conducted by the contractor



302 W Mt Diablo Ave

Photo during the abatement conducted by the contractor



302 W Mt Diablo Ave

Photo during the abatement conducted by the contractor



302 W Mt Diablo Ave

Photos of the before and after a section of the abatement conducted by the contractor

Before



After





302 W Mt Diablo Ave

Photos of the before and after a section of the abatement conducted by the contractor

Before



After



302 W Mt Diablo Ave

Photos of the before and after a section of the abatement conducted by the contractor

Before



After



302 W Mt Diablo Ave

Photos during abatement conducted by the contractor





302 W Mt Diablo Ave

Photos during abatement conducted by the contractor





302 W Mt Diablo Ave

Photos after the abatement conducted by the contractor



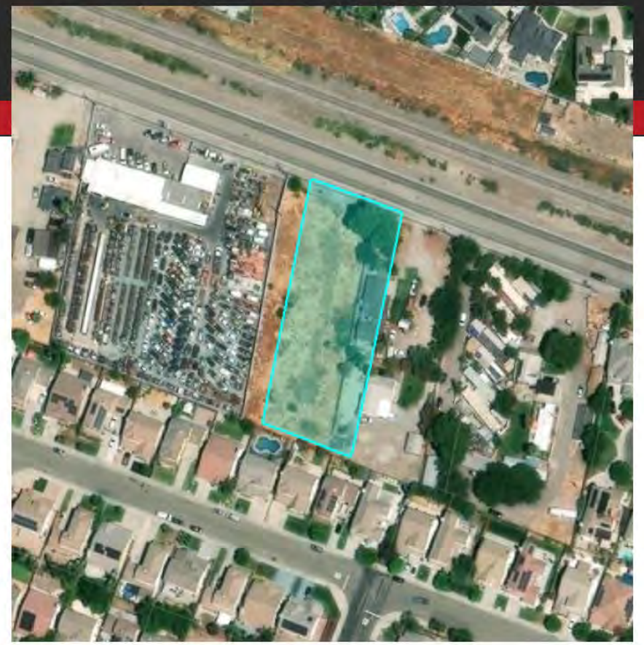
302 W Mt Diablo Ave

Photos after the abatement conducted by the contractor




302 W Mt Diablo Ave
Photo on May 15, 2024
1492
HIRING EVENT
TRACK CAMPUS

2480 Byron RD



- Notices to clean the property
  - First notice sent - 5/16/2023
  - Second notice sent - 6/5/2023
  - Third notice sent - 6/28/2023
  - Fourth notice and advisement of public hearing for abatement
    - 8/23/2023

- On September 5, 2023 a public hearing was held to consider the abatement and it was approved by Council
- The parcel was abated by the Greater Valley Conservation Corps of the San Joaquin County Office of Education in January of 2024

- Notice of the public hearing to report costs
  - Notice sent - 3/22/2023

2480 W Byron Rd

- Abatement
  - Completed on January 9, 2024
  - Multiple staff
  - No Disposal and hauling

- Daily Rate/Mechanical $2,110
- Number of Days: 1
- Total Labor : $2,110

- Grand Total: $2,110

2480 Byron RD

- Inspection - May 14, 2023
- Inspection Notes: “Overgrown, dry grass and weeds. Requires immediate removal.”







2480 Byron RD

- Inspection - June 4, 2023
- Inspection Notes: “Overgrown, dry grass and weeds. Requires immediate removal.”







2480 Byron RD

- Inspection - June 26, 2023







2480 Byron RD

- Inspection - July 28, 2023
- Inspection Notes: “After 3rd re-inspection the property remains a hazard.”
- Pictures from the inspection report








2480 Byron RD
Photo before the abatement conducted by the contractor

2480 Byron RD

Photo before the abatement conducted by the contractor



2480 Byron RD

Photo before the abatement conducted by the contractor



2480 Byron RD

Photo before the abatement conducted by the contractor




2480 Byron RD
Photo before the abatement conducted by the contractor


2480 Byron RD
Photo on April 25, 2024

May 21, 2024

Agenda Item 3.B

RECOMMENDATION

Staff recommends that the City Council conduct a public hearing and, upon conclusion:

1) **Adopt a resolution adopting an Initial Study/Negative Declaration, in accordance with the California Environmental Quality Act, for the Tracy Fire Training Facility, located south of Brichetto Road, and east of Chrisman Road, on a portion of Assessor's Parcel Number 250-030-07 (Property), Capital Improvement Project 71109 (Project);**
2) **Adopt a Resolution (a) Designating 5.13 acres of the City-owned property for the project; (b) Authorizing the execution of a Memorandum of Understanding with San Joaquin County for the award of $2,599,234 of American Rescue Plan Act grant funds for Phase 1 of the Project costs; and (c) Appropriating the grant funds to the project.**

EXECUTIVE SUMMARY

On February 5, 2019, the City Council approved Resolution No. 2019-013 creating Capital Improvement Project (CIP) 71109, a fire training facility (Project).

This request is for the City Council to conduct a public hearing to review and consider the adoption of an Initial Study/Negative Declaration (IS/ND), in accordance with the California Environmental Quality Act (CEQA), for the Project, and upon conclusion of the public hearing, authorize, by resolution, the adoption of the IS/ND. The City of Tracy (City) is the lead agency on the Project. Environmental review, geotech studies, and construction drawings have been completed.

In addition, staff recommends that the City Council designate 5.13 acres of City-owned property for the Project located south of Brichetto Road, and east of Chrisman Road, on a portion of Assessor's Parcel Number 250-030-07 to the Project. The City has identified several funding sources for the Project including the grant award $2,599,234 of American Rescue Plan Act funds for a portion of the Project costs for Phase 1. Staff is recommending that the City Council authorize the execution of Memorandum of Understanding (MOU) with San Joaquin County (County) for the grant award and appropriate the grant funds to the Project.

BACKGROUND AND LEGISLATIVE HISTORY

The need for Project was identified in the 2013 Citywide Fire Public Safety Master Plan (CFPSMP) for construction at the location of the Police Gun Range on South Tracy Boulevard and was included in the Nexus Study for that location. Subsequent to the 2013 CFPSMP adoption, the SSJCFA recommended an alternate location at the NEI Reservoir on Chrisman Road to be more suitable. On February 5, 2019, the City Council approved Resolution No. 2019-013, creating CIP 71109, for Project. The Project includes the construction of a fire training facility to meet the future fire training needs of the SSJCFA. The Project was originally

planned for construction at the location of the Police Gun Range on South Tracy Boulevard with California Environmental Quality Act (CEQA) clearance to be completed as part of the 2013 CFPSMP and the associated Nexus Study. After the 2013 CFPSMP adoption, the SSJCFA recommended that an alternate location on Chrisman Road at the NEI Reservoir would be more suitable than the Police Gun Range location originally identified in the adopted 2013 CFPSMP and Nexus Study.

Engineering began Project design for the Chrisman Road location with the understanding that the CFPSMP Update and the associated Nexus Study would address the location change. The design was completed in mid-2020. The Project was limited to water infrastructure and a training tower installation. The Engineer's estimate was higher than the proposed budget. In late fall 2021, the funding gap was addressed, and the bid documents were finalized.

On January 21, 2022, and January 28, 2022, the Project was advertised for competitive bids. On February 22, 2022, bids were received and publicly opened at 2:00 p.m. At the time the Project was advertised it was anticipated that the CFPSMP Update and the associated Nexus Study that includes the Chrisman Road project site would be presented for adoption by Council early in 2022, providing the required CEQA clearance for the Project. However, the adoption of all the infrastructure master plans was delayed, rendering the Project without CEQA clearance.

On August 16, 2022, the City rejected all bids that were received so that the City could process a project-specific and site-specific CEQA document and clearance.

On October 4, 2022, the County approved funding in the amount of $2,599,234 of American Rescue Plan Act funds for a portion of the Project costs, as was requested by the SSJCFA. The total committed funds increased to approximately $3.6 million.

In January 2023, the City began collaborating with SSJCFA and Shack and Company (contracted by SSJCFA) to expand the scope of the Fire Training Facility to expand the footprint from the original 2 acres to 5.13 acres to include the addition of a classroom, parking area, and other features. On November 20, 2023, the SSJCFA designated the City as the lead agency on the project (see Attachment F). The funding is a grant reimbursement, such that the County will reimburse the City upon delivery of invoices.

On October 17, 2023, the project specific environmental analysis and clearance was completed at the end of the public comment period. The Project will be constructed in phases and Phase 1 is anticipated to include a training tower, an office and classroom building, a parking lot, a storage building, a radio tower, a storm retention basin, an automated security gate with chain-link perimeter fencing, and a training field. In the early design of the Project, a key objective was to develop a site plan that was expandable to accommodate additional fire training amenities and facilities that would meet the future needs of the SSJCFA and the region. Phase 2 of the Project is not a part of this action. This phase is anticipated to be funded through future grants and future Fire Public Safety Facility Master Plan Fees.

ANALYSIS

The SSJCFA is one of the largest fire agencies in California that does not have access to a training facility within or near its jurisdictional boundaries. Currently, SSJCFA is required to utilize Stockton (20 miles), Modesto (25 miles), or Livermore-Pleasanton (28 miles) fire training facilities. To utilize these facilities, SSJCFA must place apparatus and personnel out-of-service,

which reduces coverage and increases response times within its jurisdictional boundaries. The Fire Training Facility is intended to establish a training facility locally to reduce travel time for Fire Instructors and staff to get the necessary training within the SSJCFA boundaries. In addition, the Fire Training Facility will partner with neighboring agencies, as well as, the local Community Colleges to offer fire training courses.

Funding

The expansion of the Project was designed in two Phases. Phase 1 includes a training tower, an office and classroom building, a parking lot, a storage building, a radio tower, a storm retention basin, an automated security gate with chain-link perimeter fencing, and a prop training field. The funding identified in the project is a combination of contributions from Tracy Rural Fire District, the City's Capital Fund, Fire Public Safety Master Plan fees, and San Joaquin County for a grant from American Rescue Plan Act.

In order to proceed with the Project, staff is seeking authorization from the City Council to execute a Memorandum of Understanding (MOU) with the County for the grant award of $2,599,234 of American Rescue Plan Act funds for a portion of the Project costs and designate the 5.13-acre portion of the 56.62-acre City owned property south of Brichetto Road, and east of Chrisman Road, on a portion of Assessor's Parcel Number 250-030-07, to be used for the SSJCFA Training Facility. The purpose of the proposed MOU is to memorialize the use of funding to be provided to the City pursuant to County Board Order B-22-695 approved on October 4, 2022 for the Project Phase 1 as described above. Further, staff is requesting that the City Council authorize by resolution the Budget Officer to appropriate the grant funds; amending the Project budget.

The following is the committed funding for the Project:

Tracy Rural Fire District's contribution (Commitment 10/15)	$250,000
City of Tracy's Capital Fund (Commitment as of 10/15)	$250,000
Tracy Rural Fire District's Fire Public Safety Master Plan fees (Commitment as of 5/22)	$256,689
City of Tracy's Fire Public Safety Master Plan fees (Commitment as of 5/22)	$428,311
County ARPA Grant (Commitment as of 10/22)	$2,599,234
Total Funding	$3,784,234

CEQA FINDINGS/DETERMINATION

The City is the lead agency for CEQA review of the Project. In March 2023, the environmental consultant De Novo Planning Group, Inc. (Consultant) prepared an Initial Study/Negative Declaration for the Project (see Attachment A). The Draft IS/ND was posted on the City's website from September 15, 2023, to October 16, 2023, for comments in accordance with CEQA requirements. Furthermore, the notice was published in Tracy Press on September 15, 2023, and sent to interested agencies and fronting residents for their review and comment. The Notice of Completion (see Attachment B) was submitted to the State Clearinghouse (No. 2023090350) for the IS/ND to begin the requisite review process. The IS/ND determined that the proposed Project will not have significant impacts on the environment.

The General Plan land use map designates the site as Public Facilities, which is consistent with the proposed use. The parcel is zoned Agricultural, where public facilities are a conditionally permitted land use. The conversion of Agricultural to Non-Agricultural use is already addressed in the City's General Plan's Environmental Impact Report. Further analysis indicates that the site is heavily disturbed; is actively used for agricultural operations; and does not contain any active natural habitat. Construction and grading activities would be subject to all applicable local and regional policies and regulations. Therefore, no further environmental review is necessary.

Written comments were received from two public agencies within the comment period and one public agency outside of the comment period. These comment letters are attached as exhibits in the IS/ND. According to CEQA, the lead agency must examine the proposed IS/ND along with all the feedback collected during the public review stage. In collaboration with its technical consultants, City staff concluded that the letters did not necessitate any modifications to the IS/ ND.

Staff recommends that the City Council adopt the Initial Study/Negative Declaration as the appropriate environmental document. Subject to approval by the City Council, staff requests authorization to file the Notice of Determination (see Attachment C) with the County Clerk, which will complete the environmental document process for CIP 71109 in compliance with CEQA.

FISCAL IMPACT

The estimated cost for CIP 71009, Phase 1 is $3,784,234 (see Attachment C). Upon appropriation of the ARPA grant funds from San Joaquin County in the amount of $2,599,234, sufficient funding will exist to complete Phase 1 of the Project.

COORDINATION

Engineering coordination with South San Joaquin County Fire Authority, Tracy Rural Fire District, and San Joaquin County.

PUBLIC OUTREACH / INTEREST

The IS/ND went through a thorough public outreach as explained in the Analysis portion of this staff report.

STRATEGIC PLAN

This agenda item supports the City of Tracy's Public Safety Strategic Priority, which provides support for emergency operations preparedness, response, and recovery.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council conduct a public hearing and, upon conclusion:

1) Adopt a resolution adopting an Initial Study/Negative Declaration, in accordance with the California Environmental Quality Act, for the Tracy Fire Training Facility, located south of Brichetto Road, and east of Chrisman Road, on a portion of Assessor's Parcel Number 250-030-07 (Property), Capital Improvement Project 71109 (Project);
2) Adopt a Resolution (a) Designating 5.13 acres of the City-owned property for the project; (b) Authorizing the execution of a Memorandum of Understanding with San Joaquin County for the award of $2,599,234 of American Rescue Plan Act grant funds for Phase 1 of the Project costs; and (c) Appropriating the grant funds to the project.

Prepared by: Karin Schnaider, Assistant City Manager

Reviewed by: D'Evelyn Spekner, Associate Engineer
Sharat Bandugula, PE, Senior Civil Engineer
Koosun Kim, PE, City Engineer
Sara Cowell, Director of Finance
Bijal Patel, City Attorney

Approved by: Midori Lichtwardt, City Manager

ATTACHMENTS

Attachment A -- Initial Study/Negative Declaration
Attachment B -- Notice of Completion & Environmental Document Transmittal
Attachment C -- Notice of Determination
Attachment D – Memorandum of Understanding (MOU)
Attachment E – Fire Training Facility Cost Estimate Phase 1
Attachment F – San Joaquin County Letter

ATTACHMENT A

INITIAL STUDY

FOR THE

TRACY FIRE TRAINING FACILITY, CIP 71109 PROJECT

SEPTEMBER 2023

Prepared for:

City of Tracy
Development Services Department
Engineering Division
333 Civic Center Plaza
Tracy, CA 95376

Prepared by:

De Novo Planning Group
1020 Suncast Lane, Suite 106
El Dorado Hills, CA 95762

De Novo Planning Group

A Land Use Planning, Design, and Environmental Firm

INITIAL STUDY

FOR THE

TRACY FIRE TRAINING FACILITY, CIP 71109 PROJECT PROJECT

SEPTEMBER 2023

Prepared for:

City of Tracy
Development Services Department
Engineering Division
333 Civic Center Plaza
Tracy, CA 95376

Prepared by:

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INITIAL STUDY CHECKLIST

PROJECT TITLE

Tracy Fire Training Facility, CIP 71109

LEAD AGENCY NAME AND ADDRESS

City of Tracy
Development Services - Engineering
333 Civic Center Plaza
Tracy, CA 95376

CONTACT PERSON AND PHONE NUMBER

D'Evelyn Spekner, Associate Engineer
City of Tracy
Development Services - Engineering
333 Civic Center Plaza
Tracy, CA 95376
develyn.spekner@cityoftracy.org
209-831-6453

PROJECT SPONSOR'S NAME AND ADDRESS

Schack & Company, Inc.
1025 Central Avenue
Tracy, California 95376

PURPOSE OF THE INITIAL STUDY

An Initial Study (IS) is a preliminary analysis which is prepared to determine the relative environmental impacts associated with a proposed project. It is designed as a measuring mechanism to determine if a project will have a significant adverse effect on the environment, thereby triggering the need to prepare an Environmental Impact Report (EIR). It also functions as an evidentiary document containing information which supports conclusions that the project will not have a significant environmental impact or that the impacts can be mitigated to a "Less Than Significant" or "No Impact" level. If there is no substantial evidence, in light of the whole record before the agency, that the project may have a significant effect on the environment, the lead agency shall prepare a Negative Declaration (ND). If the IS identifies potentially significant effects, but: (1) revisions in the project plans or proposals would avoid the effects or mitigate the effects to a point where clearly no significant effects would occur, and (2) there is no substantial evidence, in light of the whole record before the agency, that the project as revised may have a significant effect on the environment, then a Mitigated Negative Declaration (MND) shall be prepared.

This IS has been prepared consistent with California Environmental Quality Act (CEQA) Guidelines Section 15063, to determine if the proposed Tracy Fire Training Facility, CIP 71109 (Project) may have a significant effect upon the environment. Based upon the findings and mitigation measures contained within this report, a Negative Declaration will be prepared.

PROJECT LOCATION AND SETTING

The Project site consists of approximately 5.9 acres and is located in the northeastern portion of the City of Tracy, just south of Brichetto Road and east of the existing City of Tracy Northeast Industrial Area (NEI) Reservoir. The Project site is located on the south side of Brichetto Road, and approximately 0.09 miles east of N. Chrisman Road. The Project site encompasses a portion of Assessor Parcel Number (APN) 250-030-07. The Project's regional location is shown in Figure 1, and the Project vicinity is shown in Figure 2.

The Project site is currently used for agricultural operations. Trees are located along a portion of the western perimeter of the Project site. Lands to the north and west consist primarily of commercial uses. Lands to the south and east consist primarily of agricultural uses, with scattered residential also present to the south and east. The Project site is bounded by Brichetto Road to the north. A UPRR railroad track parallels the northern boundary of the Project site, just north of Brichetto Road.

PROJECT DESCRIPTION

The Project would include construction of a fire training facility to meet the future fire training needs of the South San Joaquin County Fire Authority (SJCFA). The Project preliminary site plan is shown on Figure 3. The proposed Project is anticipated to include an office and classroom building, a storage building, a training tower, a parking lot containing approximately 40 parking spaces, a radio tower, and a prop training field. Fire suppression tactics and other firefighter training practices are anticipated to occur within the prop training field. In addition, an isolated rail car prop for training purposes would be located in the northern portion of the Project site. Chain-link fencing would surround the perimeter of the Project site. The Project site would be accessible from an access road that would connect to N. Chrisman Road, which would be located adjacent to the southern boundary of the Tracy NEI Reservoir. A storm retention basin containing approximately 109,500 cubic feet of volume would be located in the northeast portion of the Project site. Overall, the Project proposes the following improvements, anticipated to be developed over three phases of construction:

- Phase 1:
  - Develop a site plan and identify land for fire training facility site;
  - Develop one acre of designated site (grading, asphalt, concrete pad, equipment foundation, and drainage);
  - Install site utilities (water and one fire hydrant);
  - Install fencing;
  - Erect training tower.
- Phase 2:
  - Develop additional acres of identified site (including conducting grading, pouring asphalt, and setting up concrete pad);
  - Erect pre-manufactured office and classroom building (classroom, two offices, clinical space, kitchenette, and restrooms);
  - Install additional site utilities (electrical).
- Phase 3:
  - Develop remaining acres of the identified site (including conducting grading, pouring asphalt, and setting up concrete pad);
  - Erect second classroom (optional);

- Install rail car props;
- Install drafting pit (i.e., trench);
- Install above-grade and below-grade rescue props;
- Install storage facility (large apparatus and equipment storage facility);
- Erect radio tower
- Connect Project site to city wastewater and storm water systems (optional).

The funding for Phase 1 would be provided by the Tracy Rural Fire District and the City of Tracy. The funding for Phase 2 has been allocated to South San Joaquin Fire Authority through San Joaquin County as part of the American Recovery Plan Act (ARPA) program. The funding for Phase 3 is anticipated to be funded through future grants and Public Safety Facility Master Plan Impact Fees.

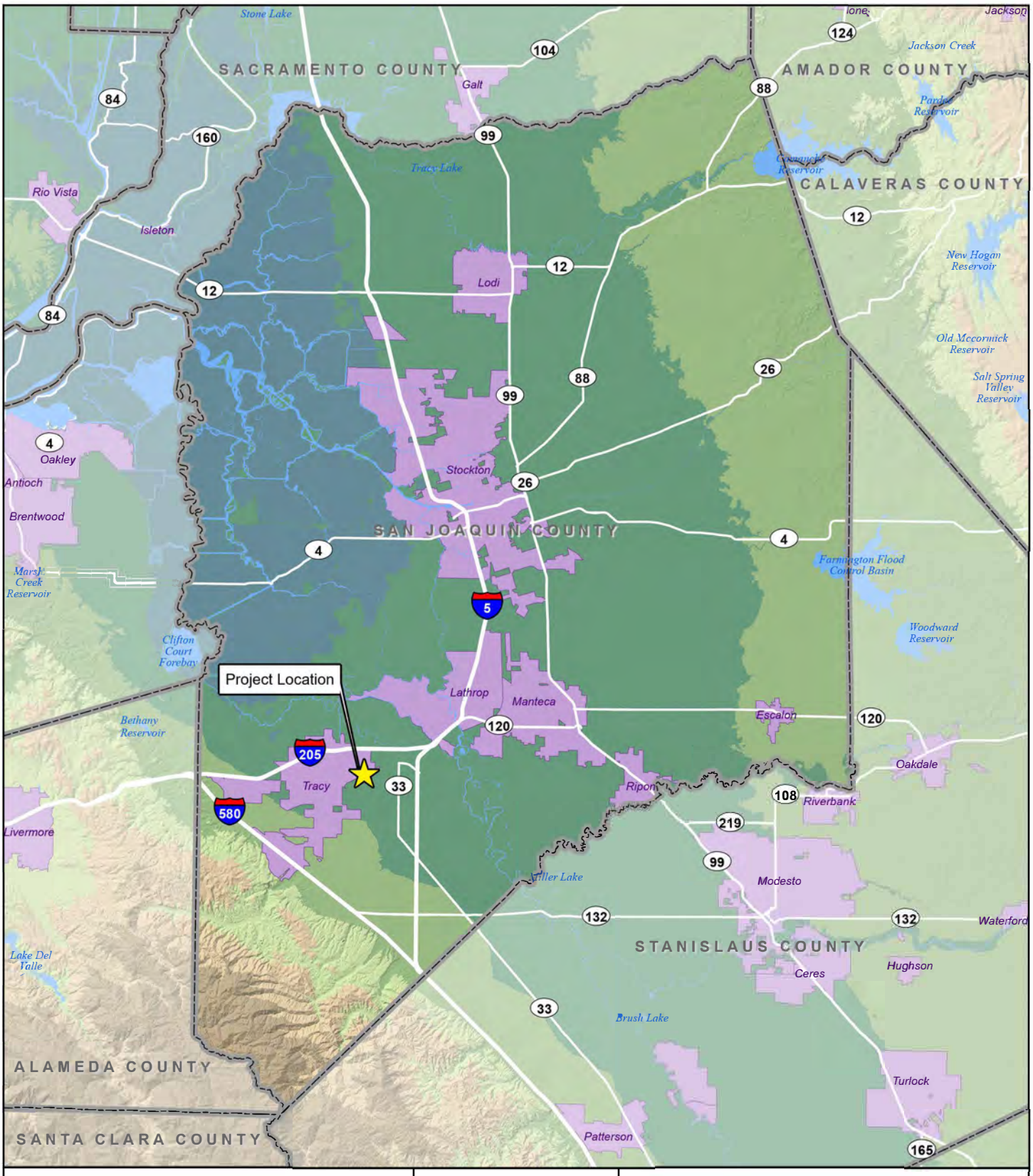
REQUESTED ENTITLEMENTS AND OTHER APPROVALS

The City of Tracy is the Lead Agency for the proposed Project, pursuant to the State Guidelines for Implementation of CEQA, Section 15050.

This document will be used by the City of Tracy to take the following actions:

- Adoption of the ND.

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LEGEND

- Incorporated Area
- County Boundary

N

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Miles

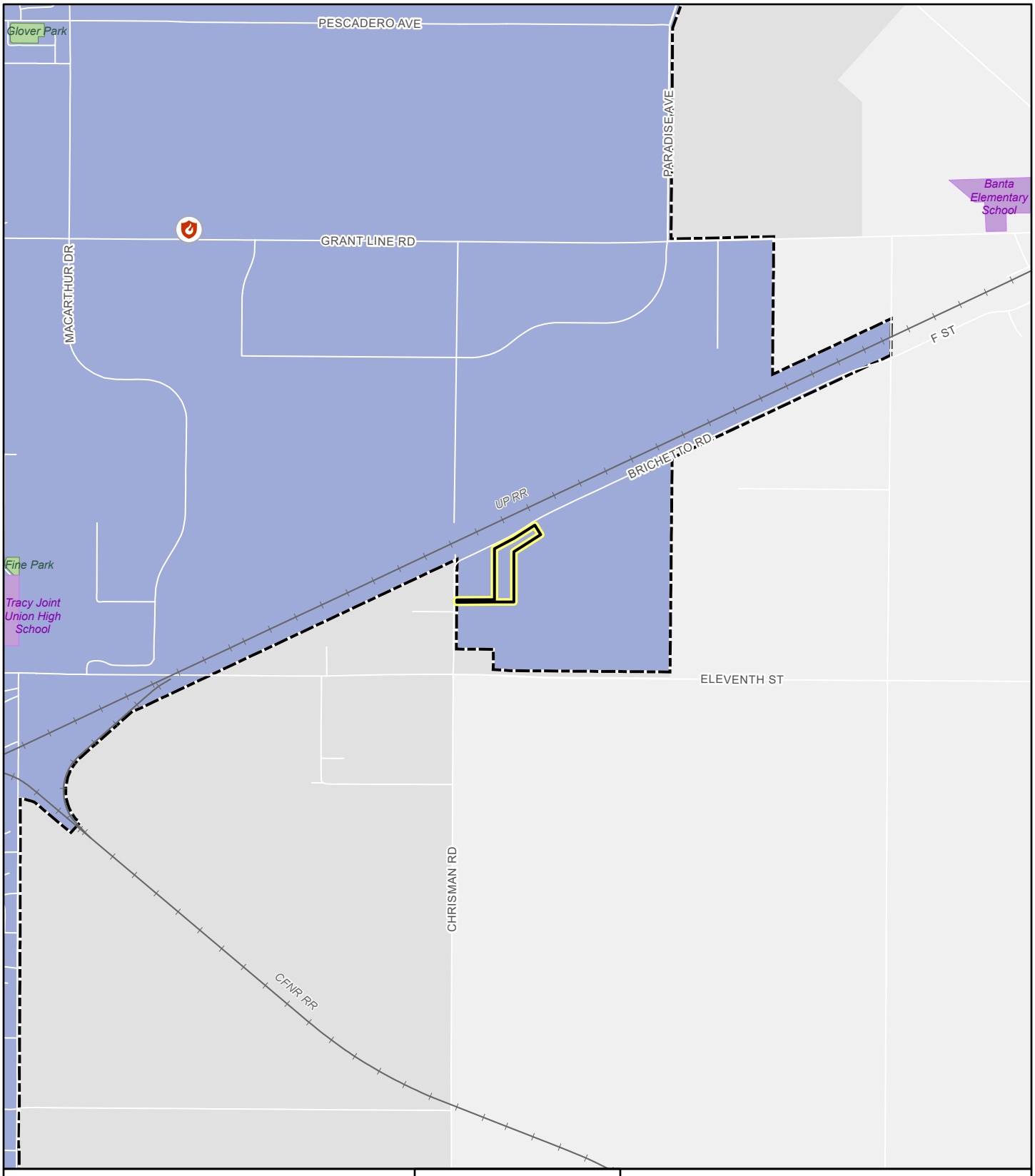
Sources: San Joaquin County GIS. Map date: March 14, 2023.

CITY OF TRACY
Tracy Fire Training Facility, CIP 71109

Figure 1. Regional Location Map

De Novo Planning Group

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LEGEND

- Project Site
- Tracy City Limits
- Tracy SOI
- Schools
- Parks
- Tracy Fire Station #92

N

0 500 1,000

US Feet

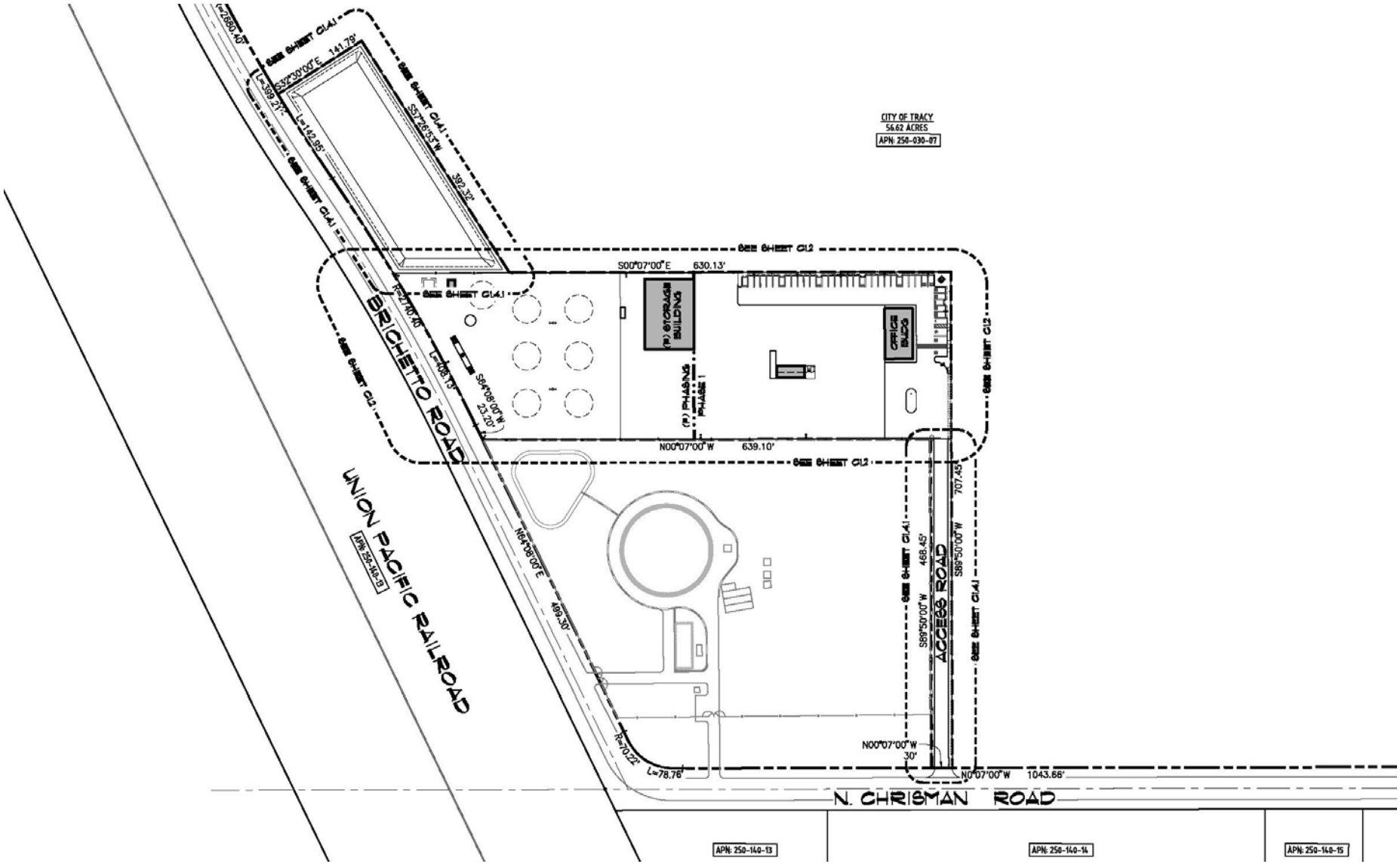
Sources: San Joaquin County GIS. Map date: September 5, 2023.

CITY OF TRACY
Tracy Fire Training Facility, CIP 71109

Figure 2. Project Vicinity

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CITY OF TRACY
Tracy Fire Training Facility, CIP 71109

Figure 3. Site Plan

N

Sources: San Joaquin County GIS. Map date: September 5, 2023.

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ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED

The environmental factors checked below would be potentially affected by this Project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages.

	Aesthetics		Agriculture and Forestry Resources		Air Quality
	Biological Resources		Cultural Resources		Energy
	Geology/Soils		Greenhouse Gases		Hazards and Hazardous Materials
	Hydrology/Water Quality		Land Use/Planning		Mineral Resources
	Noise		Population/Housing		Public Services
	Recreation		Transportation		Tribal Cultural Resources
	Utilities/Service Systems		Wildfire		Mandatory Findings of Significance

DETERMINATION

On the basis of this initial evaluation:

X	I find that the proposed Project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
	I find that although the proposed Project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the Project have been made by or agreed to by the Project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.
	I find that the proposed Project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
	I find that the proposed Project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
	I find that although the proposed Project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed Project, nothing further is required.

Signature

9/12/2023
Date

EVALUATION OF ENVIRONMENTAL IMPACTS

In each area of potential impact listed in this section, there are one or more questions which assess the degree of potential environmental effect. A response is provided to each question using one of the four impact evaluation criteria described below. A discussion of the response is also included.

- Potentially Significant Impact. This response is appropriate when there is substantial evidence that an effect is significant. If there are one or more "Potentially Significant Impact" entries, upon completion of the Initial Study, an EIR is required.

- Less than Significant With Mitigation Incorporated. This response applies when the incorporation of mitigation measures has reduced an effect from "Potentially Significant Impact" to a "Less Than Significant Impact". The Lead Agency must describe the mitigation measures and briefly explain how they reduce the effect to a less than significant level.

- Less than Significant Impact. A less than significant impact is one which is deemed to have little or no adverse effect on the environment. Mitigation measures are, therefore, not necessary, although they may be recommended to further reduce a minor impact.

- No Impact. These issues were either identified as having no impact on the environment, or they are not relevant to the Project.

ENVIRONMENTAL CHECKLIST

This section of the Initial Study incorporates the most current Appendix "G" Environmental Checklist Form contained in the CEQA Guidelines. Impact questions and responses are included in both tabular and narrative formats for each of the 21 environmental topic areas.

I. AESTHETICS

Except as provided in Public Resources Code Section 21099, would the project:	***Potentially Significant Impact***	***Less Than Significant with Mitigation Incorporation***	***Less Than Significant Impact***	***No Impact***
a) Have a substantial adverse effect on a scenic vista?			X	
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?				X
c) In non-urbanized areas, substantially degrade the existing visual character or quality of public views of the site and its surroundings? (Public views are those that are experienced from publicly accessible vantage point). If the project is in an urbanized area, would the project conflict with the applicable zoning and other regulations governing scenic quality?			X	
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?			X	

Responses to Checklist Questions

Response a) Less than Significant. The City of Tracy is an urbanized area located within the southern section of San Joaquin County. There are no scenic vistas located on or adjacent to the Project site. The proposed Project is considered an infill project, and the proposed uses on the site are consistent and compatible with the surrounding land uses.

The Project site is not topographically elevated from the surrounding lands and is not highly visible from areas beyond the immediate vicinity of the site. There are no prominent features on the site, such as trees, rock outcroppings, or other visually distinctive features that contribute to the scenic quality of the site. The Project site is not designated as a scenic vista by the City of Tracy General Plan. Implementation of the proposed Project would not significantly change the existing visual character of the Project area, as much of the areas immediately adjacent to the site are used for residential and commercial purposes.

Implementation of the proposed Project would introduce paved parking development to the Project area and would be generally consistent with the surrounding residential and commercial development. Therefore, this impact is considered **less than significant**.

Response b) No Impact. As described in the Tracy General Plan EIR, there are two Officially Dedicated California Scenic Highway segments in the Tracy Planning Area, which extend a total length of 16 miles. The first designated scenic highway is the portion of I-580 between I-205 and

I-5, which offers views of the Coast Range to the west and the Central Valley's urban and agricultural lands to the east. The second scenic highway is the portion of I-5 that starts at I-205 and continues south to Stanislaus County, which allows for views of the surrounding agricultural lands and the Delta-Mendota Canal and California Aqueduct. The Project site is not visible from any of the above-referenced scenic highways. Development of the proposed Project would not result in the removal of any trees, rock outcroppings, or buildings of historical significance, and would not result in changes to any of the viewsheds from the designated scenic highways in the vicinity of the City of Tracy. There is **no impact.**

Response c) Less than Significant. As described under Response a) the proposed Project would be visually compatible with the surrounding land uses and would not significantly degrade the existing visual quality of the site or the surrounding area. Additionally, the Project is subject to the City of Tracy's development and design review criteria, which would ensure that the parking area landscaping, streetscape improvements and exterior lighting improvements are compatible with the surrounding land uses. This is a **less than significant impact.**

Response d) Less than Significant. Daytime glare can occur when the sunlight strikes reflective surfaces such as windows, vehicle windshields and shiny reflective building materials. The proposed Project would not introduce new residential structures. Reflective building materials are not proposed for use in the Project, and as such, the Project would not result in increases in daytime glare.

The Project site contains no existing lighting. There is a potential for the proposed Project to create new sources of light and glare. Examples of lighting would include construction lighting, landscape, and parking lighting. However, nighttime construction activities are not anticipated to be required as part of on-site construction. Operational light sources from street lighting may be required to provide for safe travel. However, as provided in the Project site plan, exterior lighting mounted on buildings or in the parking area would be directed away from adjoining properties. Separately, glare would be generated by building windows associated with the proposed Project. However, based on the location of the Project site (i.e., away from high-traffic roadways and other potential sensitive receptors), glare generated by the Project would affect relatively small numbers of motorists and sensitive receptors.

The City of Tracy Standard Plan #154 establishes minimum requirements for light illumination. Exterior lighting on new Projects is also regulated by the Tracy Municipal Code, Off-Street Parking Requirements, Section 10.08.3530(h). The City addresses light and glare issues on a case-by-case basis during project approval and typically adds requirements as a condition of project approval to shield and protect against light spillover from one property to the next. The proposed Project is subject to these regulations, which would ensure that this is a **less than significant impact.**

II. AGRICULTURE AND FORESTRY RESOURCES

Would the project:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?			X	
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?				X
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 1222(g)) or timberland (as defined in Public Resources Code section 4526)?				X
d) Result in the loss of forest land or conversion of forest land to non-forest use?				X
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?			X	

Responses to Checklist Questions

Response a) Less than Significant. The Project site is currently used for agricultural operations. The Project site is designated as Prime Farmland, as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency.

However, the proposed Project is identified for Public Facilities land uses in the Tracy General Plan, and the Project is consistent with the uses established by the General Plan. Development of the site for Public Facilities uses and the corresponding conversion of agricultural land associated with buildout of the Tracy General Plan, including the Project site, was taken into consideration in the City of Tracy General Plan and General Plan EIR. On February 1, 2011 the Tracy City Council adopted a Statement of Overriding Considerations (Resolution 2011-028) for the direct impacts to farmland resulting from adoption of the General Plan and the General Plan EIR (State Clearinghouse #: 1992122069).[1] As such, the proposed Project's potential impact relating to conversion of designated farmlands was adequately addressed in through the General Plan EIR process and implementation of the proposed Project would have a **less than significant** impact related to this environmental topic.

Response b) No Impact. The Project site is not under a Williamson Act Contract, nor are any of the parcels immediately adjacent to the Project site under a Williamson Act Contract. Therefore, implementation of the proposed Project would not conflict with a Williamson Act Contract. The Project site is currently zoned Community Shopping Center Zone (CS) by the City's Zoning Map.

[1] The General Plan EIR is available for inspection at the City of Tracy, Development Services - Planning, located at 333 Civic Center Plaza, Tracy, CA 95376

As such, the proposed Project would not conflict with any agricultural zoning or Williamson Act Contract. There is no impact.

Responses c) and d) No Impact. The Project site is located in an area predominantly consisting of commercial and residential development. There are no forest resources on the Project site or in the vicinity of the Project site. Therefore, there is **no impact**.

Response e) Less than Significant Impact. As described under Responses (a) and (b) above, the proposed Project is identified for Public Facilities land uses in the Tracy General Plan, and the Project is consistent with the uses established by the General Plan. Development of the site for Public Facilities uses and, as explained above, the corresponding conversion of agricultural land associated with buildout of the Tracy General Plan, including the Project site, was taken into consideration in the City of Tracy General Plan and General Plan EIR. Separately, the Project site does not contain forest resources. There is a **less than significant impact** related to this environmental topic.

III. AIR QUALITY

Would the project:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
a) Conflict with or obstruct implementation of the applicable air quality plan?			X	
b) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard?			X	
c) Expose sensitive receptors to substantial pollutant concentrations?			X	
d) Result in other emissions (such as those leading to odors) adversely affecting a substantial number of people?			X	

Existing Setting

The Project site is located within the San Joaquin Valley Air Pollution Control District (SJVAPCD). This agency is responsible for monitoring air pollution levels and ensuring compliance with federal and state air quality regulations within the San Joaquin Valley Air Basin (SJVAB) and has jurisdiction over most air quality matters within its borders.

The SJVAPCD has primary responsibility for compliance with both the federal and state standards and for ensuring that air quality conditions are maintained. They do this through a comprehensive program of planning, regulation, enforcement, technical innovation, and promotion of the understanding of air quality issues.

Activities of the SJVAPCD include the preparation of plans for the attainment of ambient air quality standards, adoption and enforcement of rules and regulations concerning sources of air pollution, issuance of permits for stationary sources of air pollution (i.e., Authority to Construct and Permit to Operate), inspection of stationary sources of air pollution and response to citizen complaints, monitoring of ambient air quality and meteorological conditions, and implementation of programs and regulations required by the Federal Clean Air Act and California Clean Air Act.

The SJVAPCD has prepared the *2007 Ozone Plan* to achieve Federal and State standards for improved air quality in the SJVAB regarding ozone. The *2007 Ozone Plan* provides a comprehensive list of regulatory and incentive-based measures to reduce emissions of ozone and particulate matter precursors throughout the SJVAB. The 2007 Ozone Plan calls for major advancements in pollution control technologies for mobile and stationary sources of air pollution. The *2007 Ozone Plan* calls for a 75-percent reduction in ozone-forming oxides of nitrogen emissions.

The SJVAPCD has also prepared the *2007 PM_{10} Maintenance Plan and Request for Redesignation* (2007 PM_{10} Plan). On April 24, 2006, the SJVAPCD submitted a Request for Determination of PM_{10} Attainment for the Basin to the California Air Resources Board (CARB). CARB concurred with the request and submitted the request to the U.S. EPA on May 8, 2006. On October 30, 2006, the EPA issued a Final Rule determining that the Basin had attained the National Ambient Air Quality Standards (NAAQS) for PM_{10}. However, the EPA noted that the Final Rule did not constitute a

redesignation to attainment until all of the Federal Clean Air Act requirements under Section 107(d)(3) were met.

The SJVAPCD has prepared the *2008 PM.2.5 Plan* to achieve Federal and State standards for improved air quality in the San Joaquin Valley Air Basin. The *2008 PM.2.5 Plan* provides a comprehensive list of regulatory and incentive-based measures to reduce PM2.5.

In addition to the *2007 Ozone Plan, the 2008 $PM_{2.5}$ Plan,* and the *2007 PM_{10} Plan*, the SJVAPCD prepared the *Guide for Assessing and Mitigating Air Quality Impacts* (GAMAQI). The GAMAQI is an advisory document that provides Lead Agencies, consultants, and Project applicants with analysis guidance and uniform procedures for addressing air quality impacts in environmental documents. Local jurisdictions are not required to utilize the methodology outlined therein. This document describes the criteria that SJVAPCD uses when reviewing and commenting on the adequacy of environmental documents. It recommends thresholds for determining whether or not projects would have significant adverse environmental impacts, identifies methodologies for predicting project emissions and impacts, and identifies measures that can be used to avoid or reduce air quality impacts. An update of the GAMAQI was approved on March 19, 2015, and is used as a guidance document for this analysis.

The GAMAQI notes that, for CEQA purposes, a sensitive receptor is generically defined as a location where human populations, especially children, seniors, and sick persons are found, and there is reasonable expectation of continuous human exposure according to the averaging period for the Ambient Air Quality Standards (e.g., 24-hour, 8- hour, 1-hour). These typically include residences, hospitals, and schools. Locations of sensitive receptors may or may not correspond with the location of the maximum off-site concentration.

Responses to Checklist Questions

Responses a)-b) Less than Significant. Air quality emissions would be generated during both the construction and operational phases of the proposed Project. Based on the on-site parking anticipated to be within the Project site (i.e., 40 spaces), the proposed Project could generate up to approximately 40 workers per day, which translates to up to approximately 80 operational vehicle trips per day (since each round trip is considered two trips). However, it should be noted that this is likely to be a large overestimate, since the Project is anticipated to be utilized on a part-time (rather than full-time) basis. Other sources of operational air quality emissions include the electricity that would be used to power on-site buildings and other features. Based on the size and nature of the proposed Project, and the limited number of vehicle trips that would be generated by the proposed Project, total air quality emissions generated by the proposed Project would be minimal. Further discussion of construction-related air quality impacts is provided below.

The SJVAPCD's approach to analysis of construction impacts is to require implementation of effective and comprehensive control measures, rather than to require detailed quantification of emission concentrations for modeling of direct impacts. PM_{10} emitted during construction can vary greatly depending on the level of activity, the specific operations taking place, the equipment being operated, local soils, weather conditions, and other factors, making quantification difficult. Despite this variability in emissions, experience has shown that there are several feasible control measures that can be reasonably implemented to significantly reduce PM_{10} emissions from construction activities. The SJVAPCD has determined that, on its own, compliance with Regulation VIII for all sites and implementation of all other control measures indicated in Tables 6-2 and 6-3 of the SJVAPCD's Guide for Assessing and Mitigating Air Quality Impacts (as

appropriate) would constitute sufficient mitigation to reduce construction PM_{10} impacts to a level considered less than significant.

Construction would result in numerous activities that would generate dust. The fine, silty soils in the Project area and often strong afternoon winds exacerbate the potential for dust, particularly in the summer months. Impacts would be localized and variable. Construction impacts would last for a period of a few weeks to a few months. The initial phase of Project construction would involve grading and site preparation activities, followed by paving and building construction. Construction activities that could generate dust and vehicle emissions are primarily related to grading, soil excavation, and other ground-preparation activities.

Control measures are required and enforced by the SJVAPCD under Regulation VIII. This Air District rule is required by law to be implemented, where applicable, and is enforced by the Air District, under the authority of the State of California Health and Safety Code, Sections 40001, 40702, 40752, and 40753, and by all officers and employees empowered by Sections 40120 and 41510 of the Health and Safety Code of the State of California, as described under the SJVAPCD's Rule 1040.

The SJVAPCD considers construction-related emissions from all Projects in this region to be mitigated to a less than significant level if SJVAPCD-recommended PM_{10} fugitive dust rules and equipment exhaust emissions controls are implemented. The proposed Project would be required to comply with all applicable measures from SJVAPCD Rule VIII. The Air District maintains the authority to inspect construction sites, at their discretion, for enforcement purposes.

It should also be noted that, as described in the latest version of the GAMAQI, the SJVAPCD considers projects that would not result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment, to also be considered to not conflict with or obstruct implementation of any applicable air quality plan.

Therefore, the proposed Project would have a ***less than significant*** impact related to the potential to conflict with or obstruct implementation of the applicable air quality plan, or to result in a cumulatively considerable net increase of any criteria pollutant for which the Project region is non-attainment under an applicable federal or state ambient air quality standard.

Response c): Less than Significant. Sensitive receptors are those parts of the population that can be severely impacted by air pollution. Sensitive receptors include children, the elderly, and the infirm. The closest sensitive receptor is a residence located 0.25 miles south of the Project site. The only new emissions that would be generated by the proposed Project would be the short-term, temporary emissions associated with site preparation, grading, paving, and building construction during the construction phase, and a minimal level of operational emissions associated with worker vehicle travel.

The construction phase of the Project would be temporary and short-term, and the implementation of all State, Federal, and SJVAPCD requirements would greatly reduce pollution concentrations generated during construction activities. The SJVAPCD considers construction-related emissions from all Projects in this region to be mitigated to a less than significant level if SJVAPCD-recommended PM_{10} fugitive dust rules and equipment exhaust emissions controls are implemented. As explained above, the proposed Project would be required to comply with all applicable measures from SJVAPCD Rule VIII, which are enforceable by the Air District. Therefore,

dust from construction of the proposed Project would be reduced and would be consistent with SJVAPCD guidance on this topic.

With implementation of the applicable SJVAPCD requirements and given the distance between the proposed Project and the nearest sensitive receptors, implementation of the proposed Project would not expose these sensitive receptors to substantial pollutant concentrations. The proposed Project would not generate significant concentrations of air emissions. Therefore, impacts to sensitive receptors would be negligible and this is a ***less than significant*** impact.

Response d) Less than Significant. The proposed Project would not generate objectionable odors that would adversely affect substantial numbers of people. People in the immediate vicinity of construction activities may be subject to temporary odors typically associated with construction activities (diesel exhaust, hot asphalt, etc.). However, any odors generated by construction activities would be short and temporary in duration. Additionally, as previously described under Response c), the proposed Project is not anticipated to notably increase operational air emissions on this community, since average daily traffic (ADT) would only increase minimally along the nearest roadways due to implementation of the proposed Project.

Examples of facilities that are known producers of operational odors include: Wastewater Treatment Facilities, Chemical Manufacturing, Sanitary Landfill, Fiberglass Manufacturing, Transfer Station, Painting/Coating Operations (e.g., auto body shops), Composting Facility, Food Processing Facility, Petroleum Refinery, Feed Lot/Dairy, Asphalt Batch Plant, and Rendering Plant. If a Project would locate receptors and known odor sources in proximity to each other further analysis may be warranted; however, if a Project would not locate receptors and known odor sources in proximity to each other, then further analysis is not warranted.

The Project does not include any of the aforementioned uses. Separately, while it is likely that the fire training activities would generate localized fire and smoke at times, which could generate smoke odors, the nearest sensitive receptors are located approximately 0.25 miles from the Project site, at which distance the odors will have dissipated and would not be noticeable to the sensitive receptors. Lastly, construction activities would be temporary and minor, and average daily traffic along the roadways nearest to the neighboring residential communities do not increase compared to the existing condition. As such, implementation of the proposed Project would have a ***less than significant*** impact relative to this topic.

IV. BIOLOGICAL RESOURCES

Would the project:	***Potentially Significant Impact***	***Less Than Significant with Mitigation Incorporation***	***Less Than Significant Impact***	***No Impact***
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?			X	
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or US Fish and Wildlife Service?				X
c) Have a substantial adverse effect on state or federally protected wetlands (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?				X
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?			X	
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?			X	
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?			X	

Existing Setting

The following analysis is based on information provided by the California Natural Diversity Data Base (CNDDB) record search conducted for the Project, information provided by City staff, as well as from satellite imagery of the Project site provided by Google Earth (2023).

Responses to Checklist Questions

Response a) Less than Significant. No special-status species are expected to be affected by the proposed Project, since the Project site has been previously disturbed and tilled. The proposed Project involves the construction of a fire training facility, within the northeastern portion of the City of Tracy, just south of Brichetto Road and east of the existing City of Tracy Northeast Industrial Area (NEI) Reservoir.

The Project site is currently used for agricultural operations. The California Natural Diversity Data Base (CNDDB) record search conducted for the Project did not identify any special status species observed within the Project site. Moreover, the Project site is not suitable to support any protected or special-status species. Therefore, this is a ***less than significant*** impact.

Response b) No Impact. There is no riparian habitat or other sensitive natural communities located on the Project site, according to the CNDDB record search conducted for the Project, as well as based on an analysis of satellite imagery of the Project site. As such, the proposed Project would have ***no impact*** on these resources, and no mitigation is required.

Response c) No Impact. A wetland is an area that is inundated or saturated by surface or ground water at a frequency and duration sufficient to support, and that under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions. Wetlands generally include swamps, marshes, bogs, and similar areas. Wetlands are defined by regulatory agencies as having special vegetation, soil, and hydrology characteristics. Hydrology, or water inundation, is a catalyst for the formation of wetlands. Frequent inundation and low oxygen causes chemical changes to the soil properties resulting in what is known as hydric soils. The prevalent vegetation in wetland communities consists of hydrophytic plants, which are adapted to areas that are frequently inundated with water. Hydrophytic plant species have the ability to grow, effectively compete, reproduce, and persist in low oxygen soil conditions.

Below is a list of wetlands that are found in the Tracy planning area:

- Farmed Wetlands: This category of wetlands includes areas that are currently in agricultural uses. This type of area occurs in the northern portion of the Tracy Planning Area.
- Lakes, Ponds and Open Water: This category of wetlands includes both natural and human-made water bodies such as that associated with working landscapes, municipal water facilities and canals, creeks and rivers.
- Seasonal Wetlands: This category of wetlands includes areas that typically fill with water during the wet winter months and then drain enough to become ideal plant habitats throughout the spring and summer. There are numerous seasonal wetlands throughout the Tracy Planning Area.
- Tidal Salt Ponds and Brackish Marsh: This category of wetlands includes areas affected by irregular tidal flooding with generally poor drainage and standing water. There are minimal occurrences along some of the larger river channels in the northern portion of the Tracy Planning Area.

There are no wetlands located on the Project site. The Project site is currently used for agricultural operations. Moreover, wetlands were not identified in the CNDDB record search conducted for the Project. Since there are no wetlands located within the Project site, and no wetlands would be impacted by the development of the Project, there is ***no impact,*** and no mitigation is required.

Response d) Less than Significant. The CNDDB record search did not reveal any documented wildlife corridors or wildlife nursery sites on or adjacent to the Project site. Furthermore, an analysis of satellite imagery of the Project site did not reveal any wildlife corridors or wildlife nursery sites on or adjacent to the Project site. Implementation of the proposed Project would have a ***less than significant***. No mitigation is necessary.

Responses e), f) Less than Significant. The proposed Project is classified as Urban Habitat under the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (SJMSCP). The City of Tracy and the Project applicant have consulted with San Joaquin Council of Governments (SJCOG) and SJCOG has agreed to allow coverage of the Project pursuant to the

SJMSCP. SJCOG staff has determined that the proposed Project is consistent with the SJMSCP and coverage under the plan has been obtained. Seperately, the Project would not conflict with any policies or ordinances protecting biological resources, since there are no trees or other biological resources within the Project site requiring protection. Therefore, this is a ***less than significant*** impact and no additional mitigation is required.

V. CULTURAL RESOURCES

Would the project:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
a) Cause a substantial adverse change in the significance of a historical resource pursuant to '15064.5?			X	
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to '15064.5?			X	
c) Disturb any human remains, including those interred outside of formal cemeteries?			X	

Responses to Checklist Questions

Responses a) - c): Less than Significant. A review of literature maintained by the Central California Information Center of the California Historical Resources Information System at California State University, Stanislaus revealed that no previously identified prehistoric period cultural resources are known within, or within a 0.25-mile radius of, the Project site. Additionally, there are no unique archeological resources known to occur on, or within the immediate vicinity of the Project site. Therefore, it is not anticipated that site grading and preparation activities would result in impacts to cultural, historical, archaeological resources. There are no known human remains located on the Project site, nor is there evidence to suggest that human remains may be present on the Project site.

Furthermore, the location of the Project site indicates that it and the surrounding area have been previously excavated. The Project site was formerly used for agricultural operations and is surrounded by existing or future urban development. No instances of cultural resources or human remains have been unearthed on the Project site, and site visits did not identify any historical, cultural, or archeological resources present on site. Therefore, it is not anticipated that site grading and preparation activities would result in impacts to cultural, historical, or archaeological resources. Overall, no cultural, historical, or archaeological resources are anticipated to be encountered during the Project's construction phase due to the disturbed nature of the site. Moreover, existing laws exist to protect cultural resources and human remains, such as Section 5097.98 of the State Public Resources Code and Section 7050.5 of California's Health and Safety Code, which require all work to be halted and the County coroner to be notified, if human remains are discovered. Therefore, Project implementation would have a ***less than significant*** impact relative to this topic.

VI. ENERGY

Would the project:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
a) Result in potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation?			X	
b) Conflict with or obstruct a state or local plan for renewable energy or energy efficiency?			X	

Responses to Checklist Questions

Responses a)-b) Less than Significant. Appendix F of the State CEQA Guidelines requires consideration of the potentially significant energy implications of a Project. CEQA requires mitigation measures to reduce "wasteful, inefficient and unnecessary" energy usage (Public Resources Code Section 21100, subdivision [b][3]). According to Appendix F of the CEQA Guidelines, the means to achieve the goal of conserving energy include decreasing overall energy consumption, decreasing reliance on natural gas and oil, and increasing reliance on renewable energy sources. In particular, the proposed Project would be considered "wasteful, inefficient, and unnecessary" if it were to violate state and federal energy standards and/or result in significant adverse impacts related to Project energy requirements, energy inefficiencies, energy intensiveness of materials, cause significant impacts on local and regional energy supplies or generate requirements for additional capacity, fail to comply with existing energy standards, otherwise result in significant adverse impacts on energy resources, or conflict or create an inconsistency with applicable plan, policy, or regulation.

The amount of energy used at the Project site would directly correlate to the energy consumption (including fuel) used by vehicle trips generated during Project construction, fuel used by off-road construction vehicles during construction, fuel used by vehicles during Project operation, and electricity usage during Project operation.

The proposed Project would comply with all existing energy standards, including those established by the City of Tracy and San Joaquin County. For example, buildings developed as part of the proposed Project would be required to comply with the latest version of the California Building Energy Efficiency Standards (Title 24), which require a high degree of energy efficiency for new buildings. Additionally, the Project would be required to comply with other statewide measures, including those intended to improve the energy efficiency of the statewide passenger and heavy-duty truck vehicle fleet (e.g., the Pavley Bill and the Low Carbon Fuel Standard), which improve vehicle fuel economies, thereby conserving gasoline and diesel fuel for any trips that would be generated by the Project. These energy savings would continue to accrue over time.

The proposed Project is a relatively small-scale fire training facility, with limited operational energy requirements, beyond the electricity required for the on-site buildings, and fuel used for vehicle travel to and from the project site (during project operation). For construction, the proposed Project would not require energy consumption that would out of the ordinary for a Project of its size and type. Therefore, the proposed Project would not violate any state or federal energy standards and/or result in significant adverse impacts related to Project energy requirements, energy efficiencies, energy intensiveness of materials, cause significant impacts on local and regional energy supplies or generate requirements for additional capacity, fail to comply with existing energy standards, otherwise result in significant adverse impacts on energy resources, or conflict or create an inconsistency with applicable plan, policy, or regulation.

Therefore, the proposed Project would not be expected cause an inefficient, wasteful, or unnecessary use of energy resources nor cause a significant impact on any of the threshold as described by Appendix G of the CEQA Guidelines. This is a **less than significant** impact.

VII. GEOLOGY AND SOILS

Would the project:	*Potentially Significant Impact*	*Less Than Significant with Mitigation*	*Less Than Significant Impact*	*No Impact*
a) Directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving:				
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.			X	
ii) Strong seismic ground shaking?			X	
iii) Seismic-related ground failure, including liquefaction?			X	
iv) Landslides?			X	
b) Result in substantial soil erosion or the loss of topsoil?			X	
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?			X	
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial direct or indirect risks to life or property?			X	
e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?			X	
f) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?				X

Responses to Checklist Questions

Responses a.i)-a.ii) Less than Significant. The Project site is located in an area of low to moderate seismicity. No known active faults cross the Project site, and the site is not located within an Alquist-Priolo Earthquake Fault Zone; however, relatively large earthquakes have historically occurred in the Bay Area and along the margins of the Central Valley. Many earthquakes of low magnitude occur every year in California. The nearest earthquake fault zoned as active by the State of California Geological Survey is the Black Butte fault, located approximately 6.5 miles southwest of the site.

The Tracy area has a low-to-moderate seismic history. The largest recorded measurable magnitude earthquake in Tracy measured 3.9 on the Richter scale. The greatest potential for significant ground shaking in Tracy is believed to be from maximum credible earthquakes occurring on the Calaveras, Hayward, San Andreas, or Greenville faults. Further seismic activity can be expected to continue along the western margin of the Central Valley, and as with all projects in the area, the Project will be designed to accommodate strong earthquake ground shaking, in compliance with the applicable California building code standards.

Other faults capable of producing ground shaking at the site include the San Joaquin fault, 7.3 miles southwest; the Midway fault, 8.2 miles southwest. Any one of these faults could generate an earthquake capable of causing strong ground shaking at the subject site. Earthquakes of Moment Magnitude (Mw) 7 and larger have historically occurred in the region and numerous small magnitude earthquakes occur every year.

Since there are no known active faults crossing the Project site and the site is not located within an Earthquake Fault Special Study Zone, the potential for ground rupture at the site is considered low.

An earthquake of moderate to high magnitude generated within the San Francisco Bay Region and along the margins of the central valley could cause considerable ground shaking at the site, similar to that which has occurred in the past. In order to minimize potential damage to the proposed Project caused by groundshaking, all construction would comply with the latest California Building Code standards, as required by the City of Tracy Municipal Code 9.04.030.

Seismic design provisions of current building codes generally prescribe minimum lateral forces, applied statically to the structure, combined with the gravity forces of dead-and-live loads. The code-prescribed lateral forces are generally considered to be substantially smaller than the comparable forces that would be associated with a major earthquake. Therefore, structures should be able to: (1) resist minor earthquakes without damage, (2) resist moderate earthquakes without structural damage but with some nonstructural damage, and (3) resist major earthquakes without collapse but with some structural as well as nonstructural damage.

Implementation of the California Building Code standards, which include provisions for seismic building designs, would ensure that impacts associated with groundshaking would be less than significant. Building new structures for human use would increase the number of people exposed to local and regional seismic hazards. Seismic hazards are a significant risk for most property in California.

The Safety Element of the Tracy General Plan includes several goals, objectives, and policies to reduce the risks to the community from earthquakes and other geologic hazards. In particular, the following policies would apply to the Project site:

> **SA-1.1, Policy P2:** Geotechnical reports shall be required for development in areas where potentially serious geologic risks exist. These reports should address the degree of hazard, design parameters for the Project based on the hazard, and appropriate mitigation measures.
>
> **SA-1.2, Policy P1:** All construction in Tracy shall conform to the California Building Code and the Tracy Municipal Code including provisions addressing unreinforced masonry buildings.

The City reviews all proposed projects for consistency with the General Plan policies and California Building Code provisions identified above, as applicable. This review occurs throughout the project application review and processing stage, and throughout plan check and building inspection phases prior to the issuance of a certificate of occupancy. Since the majority of work under the scope of this Project involves roadway and bridges, the relevant Caltrans, state, and FHWA codes and requirements will be enforced.

Consistency with the requirements of the California Building Code and the Tracy General Plan policies identified above would ensure that impacts on humans associated with seismic hazards would be ***less than significant***.

Responses a.iii), c), d): Less than Significant. Liquefaction normally occurs when sites underlain by saturated, loose to medium dense, granular soils are subjected to relatively high ground shaking. During an earthquake, ground shaking may cause certain types of soil deposits to lose shear strength, resulting in ground settlement, oscillation, loss of bearing capacity, landsliding, and the buoyant rise of buried structures. Most liquefaction hazards are associated with sandy soils, silty soils of low plasticity, and some gravelly soils. Cohesive soils are generally not considered to be susceptible to liquefaction. In general, liquefaction hazards are most severe within the upper 50 feet of the surface, except where slope faces, or deep foundations are present. According to the General Plan EIR, for the most part, Tracy is at low risk for liquefaction, except for the riverbanks of rivers within the Tracy Planning Area.

Expansive soils are those that undergo volume changes as moisture content fluctuates; swelling substantially when wet or shrinking when dry. Soil expansion can damage structures by cracking foundations, causing settlement and distorting structural elements. Expansion is a typical characteristic of clay-type soils. Expansive soils shrink and swell in volume during changes in moisture content, such as a result of seasonal rain events, and can cause damage to foundations, concrete slabs, roadway improvements, and pavement sections.

Soil expansion is dependent on many factors. The more clayey, critically expansive surface soil and fill materials will be subjected to volume changes during seasonal fluctuations in moisture content. According to the City of Tracy General Plan Draft EIR, portions of the Tracy Planning Area have a moderate to high risk for expansive soils. Implementation of the applicable objectives, policies, and actions from the General Plan Safety Element would reduce this potentially significant impact to a less than significant level. For example, Safety Element Objective SA-1.1, Policy P-1 requires underground utilities, particularly water and natural gas mains, to be designed to withstand seismic forces. Additionally, Safety Element Objective SA-1.2, Policy P-1 requires all construction within Tracy to conform to the California Building Code and Tracy Municipal Code including provisions addressing unreinforced masonry buildings. Lastly, Safety Element Objective SA-1.2, Policy P-2 requires a geotechnical report for development areas where serious geologic risks exist, although the Project site itself does not contain such risks. It is further noted that the Project would not introduce new people or habitable structures to the site. There would be a ***less than significant*** risk related to these topics associated with the construction of the proposed Project.

Response a.iv): Less than Significant. The Project site is relatively flat. As such, there is little, or no risk of landslides associated with construction and operation of the Project. This is a ***less than significant*** impact and no mitigation is required.

Response b): Less than Significant. According to the Project site plans prepared for the proposed Project, development of the proposed Project would result in the creation of new

impervious surface areas in portions of the Project site. The development of the Project site would also cause ground disturbance of topsoil. The ground disturbance would be limited to the areas proposed for grading and excavation. During any construction and land preparation processes within the Project site, exposed surfaces could be susceptible to erosion from wind and water. Effects from erosion include impacts on water quality and air quality. Exposed soils that are not properly contained or capped increase the potential for increased airborne dust and increased discharge of sediment and other pollutants into nearby stormwater drainage facilities. Risks associated with erosive surface soils can be reduced by using appropriate controls during construction and properly re-vegetating exposed areas.

The implementation of various dust control measures during site preparation and construction activities, as required by the SJVPACD, would reduce the potential for soil erosion and the loss of topsoil. For example, the SJVAPCD's Rule 8021 requires the implementation of various dust control measures during site preparation and construction activities that would reduce the potential for soil erosion and the loss of topsoil. Furthermore, Rule 8301 would limit fugitive dust emissions from the outdoor handling, storage, and transport of bulk materials; Rule 8401 limits fugitive dust emissions from carryout and trackout; Rule 8501 limits fugitive dust emissions in open areas; Rule 8061 limits fugitive dust emissions from paved and unpaved roads by implementing control measures and design criteria; Rule 8071 limits fugitive dust emissions from unpaved vehicle and equipment traffic areas. These Air District rules are required by law to be implemented, where applicable, and are enforced by the Air District, under the authority of the State of California Health and Safety Code, Sections 40001, 40702, 40752, and 40753, and by all officers and employees empowered by Sections 40120 and 41510 of the Health and Safety Code of the State of California, as described under the SJVAPCD's Rule 1040.

Additionally, it should be noted that, once the grading activities are completed, the Project site would immediately be paved, which would cap any exposed soil and eliminate the potential for erosion. Therefore, the impact is ***less than significant***.

Response e): Less than Significant. The proposed Project is anticipated to utilize septic tanks during the initial two phases of the project for the disposal of wastewater. However, implementation of proposed septic system would not be located on soils incapable of adequately supporting the use of septic tanks. The design and construction of the proposed septic system would also be required to adhere to all applicable State and local requirements relating to septic systems. Therefore, implementation of the proposed Project would result in a ***less than significant impact*** relative to this topic.

Response f): No impact. There are no known paleontological resources or sites located on the Project site. Additionally, unique geologic features are not known to be located on the site. As a result, and due to the disturbed nature of the site and the limited amount of excavation required to implement the Project, no paleontological resources or geologic features are anticipated to be encountered during the Project's construction phase. Therefore, ***no impact*** would occur.

VIII. GREENHOUSE GAS EMISSIONS

Would the project:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?			X	
b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gasses?			X	

Background Information

Various gases in the Earth's atmosphere, classified as atmospheric greenhouse gases (GHGs), play a critical role in determining the Earth's surface temperature. Solar radiation enters Earth's atmosphere from space, and a portion of the radiation is absorbed by the Earth's surface. The Earth emits this radiation back toward space, but the properties of the radiation change from high-frequency solar radiation to lower-frequency infrared radiation.

Naturally occurring greenhouse gases include water vapor (H_2O), carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), and ozone (O_3). Several classes of halogenated substances that contain fluorine, chlorine, or bromine are also greenhouse gases, but they are, for the most part, solely a product of industrial activities. Although the direct greenhouse gases CO_2, CH_4, and N_2O occur naturally in the atmosphere, human activities have changed their atmospheric concentrations. From the pre-industrial era (i.e., ending about 1750) to 2011, concentrations of these three greenhouse gases have increased globally by 40, 150, and 20 percent, respectively (Intergovernmental Panel on Climate Change [IPCC], 2013).

Greenhouse gases, which are transparent to solar radiation, are effective in absorbing infrared radiation. As a result, this radiation that otherwise would have escaped back into space is now retained, resulting in a warming of the atmosphere. This phenomenon is known as the greenhouse effect. Among the prominent GHGs contributing to the greenhouse effect are carbon dioxide (CO_2), methane (CH_4), ozone (O_3), water vapor, nitrous oxide (N_2O), and chlorofluorocarbons (CFCs).

The emissions from a single project will not cause global climate change, however, GHG emissions from multiple projects throughout the world could result in a cumulative impact with respect to global climate change. Therefore, the analysis of GHGs and climate change presented in this section is presented in terms of the proposed Project's contribution to cumulative impacts and potential to result in cumulatively considerable impacts related to GHGs and climate change.

Cumulative impacts are the collective impacts of one or more past, present, and future projects that, when combined, result in adverse changes to the environment. In determining the significance of a proposed project's contribution to anticipated adverse future conditions, a lead agency should generally undertake a two-step analysis. The first question is whether the *combined* effects from *both* the proposed project *and* other projects would be cumulatively significant. If the agency answers this inquiry in the affirmative, the second question is whether "the proposed project's *incremental* effects are cumulatively considerable" and thus significant in and of themselves. The cumulative project list for this issue (climate change) comprises anthropogenic (i.e., human-made) GHG emissions sources across the globe and no project alone would reasonably be expected to contribute to a noticeable incremental change to the global

climate. However, legislation and executive orders on the subject of climate change in California have established a statewide context and process for developing an enforceable statewide cap on GHG emissions. Given the nature of environmental consequences from GHGs and global climate change, CEQA requires that lead agencies consider evaluating the cumulative impacts of GHGs. Small contributions to this cumulative impact (from which significant effects are occurring and are expected to worsen over time) may be potentially considerable and, therefore, significant.

Significance Thresholds

Governor's Office of Planning and Research's (OPR's) Guidance does not include a quantitative threshold of significance to use for assessing a project's GHG emissions under CEQA. Moreover, the California Air Resources Board (CARB) has not established such a threshold or recommended a method for setting a threshold for project-level analysis. In the absence of a consistent statewide threshold, a threshold of significance for analyzing the project's GHG emissions was developed. The issue of setting a GHG threshold is complex and dynamic, especially in light of the California Supreme Court decision in *Center for Biological Diversity v. California Department of Fish and Wildlife* (referred to as the Newhall Ranch decision hereafter). The California Supreme Court ruling also highlighted the need for the threshold to be tailored to the specific project type, its location, and the surrounding setting. Therefore, the threshold used to analyze the project is specific to the analysis herein and the City retains the ability to develop and/or use different thresholds of significance for other projects in its capacity as lead agency and recognizing the need for the individual threshold to be tailored and specific to individual projects.

Responses to Checklist Questions

Responses a) and b): Less than Significant. Emissions of GHGs contributing to global climate change are attributable in large part to human activities associated with the industrial/manufacturing, utility, transportation, residential, and agricultural sectors. Therefore, the cumulative global emissions of GHGs contributing to global climate change can be attributed to every nation, region, and city, and virtually every individual on Earth. A project's GHG emissions are at a micro-scale relative to global emissions but could result in a cumulatively considerable incremental contribution to a significant cumulative macro-scale impact. Implementation of the proposed Project would contribute to increases of GHG emissions that are associated with global climate change. Estimated GHG emissions attributable to future development would be primarily associated with increases of CO2 and other GHG pollutants, such as CH4 and N2O, from construction. These construction GHG emissions are a one-time release and are comparatively much lower than emissions associated with operational phases of a Project. Cumulatively, these construction emissions would not generate a significant contribution to global climate change.

As noted previously, the proposed Project would result in limited operational emissions, given that the Project is anticipated to only increase vehicle trips by a maximum of approximately 80 trips per day[2], and since the on-site energy use required for the Project buildings and other features would be small (based on the size and nature of the buildings and other features associated with the Project). Separately, during Project construction, the only GHG emissions that would be emitted by the proposed Project would occur by off-road and on-road construction vehicles. These emissions would be very small and would not contribute meaningfully to global climate change. This is a ***less than significant*** impact.

[2] Based on the total number of parking spots that would be developed for the Project site (40). Each vehicle round trip is counted as two vehicle trips.

IX. HAZARDS AND HAZARDOUS MATERIALS

Would the project:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?			X	
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?			X	
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?				X
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?				X
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard or excessive noise for people residing or working in the project area?				X
f) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?				X
g) Expose people or structures, either directly or indirectly, to a significant risk of loss, injury or death involving wildland fires?			X	

Responses to Checklist Questions

Responses a)-b) Less than Significant. The proposed Project could involve the use of hazardous materials. As shown in Figure 3, the proposed Project could have hazardous materials within the prop training area in the northern portion of the Project site. The hazardous materials could contain materials that would enhance the flammability of fires, for fire training purposes. Therefore, the transport, use, and disposal of hazardous materials could periodically occur. However, the transport, use, and disposal of such hazardous materials would conform to all applicable federal, State, and local laws that would prevent such activities from creating a significant hazard to the public or environment, including through reasonably foreseeable upset and accident conditions. It should also be mentioned that the nearest sensitive receptor is located approximately 0.25 miles from the Project site, providing a substantial buffer between the Project site and the nearest sensitive receptor. Furthermore, the Project site is surrounded by buffer land uses, such as the vacant land to the south and east, the City of Tracy Water Reservoir and storm basin directly to the west, and Brichetto road the UPRR rail line to the north. Therefore, any smoke from the Project site from on-site fires used for training purposes would disperse into the atmosphere widely before reaching any sensitive receptors; furthermore, any on-site fires would

be highly localized and temporary. Lastly, since the City of Tracy Water Reservoir is located directly adjacent to the Project site, ample nearby water resources would be available to address any hazards associated with on-site fires that are ignited on-site for training purposes.

Onsite reconnaissance and historical records indicate that there are no known underground storage tanks or pipelines located on the Project site that contain hazardous materials. Therefore, the disturbance of such items during construction activities is unlikely. Construction equipment and materials would likely require the use of petroleum-based products (oil, gasoline, diesel fuel), and a variety of common chemicals including paints, cleaners, and solvents. Transportation, storage, use, and disposal of hazardous materials during construction activities would be required to comply with applicable federal, state, and local statutes and regulations. Compliance would ensure that human health and the environment are not exposed to hazardous materials.

Overall, both construction and operation of the proposed Project does not pose a significant hazard to the public or the environment. There is a ***less than significant*** impact relative to this topic.

Responses c) No Impact. The Project site is not located within ¼ mile of an existing school. The nearest school is Tracy High School, located approximately 1.16 miles to the west of the Project site. Therefore, **no impact** would occur as a result of the proposed Project.

Response d) No Impact. The Project site is not included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5. Therefore, Project implementation would have **no impact** relative to this topic.

Response e) No Impact. The Federal Aviation Administration (FAA) establishes distances of ground clearance for take-off and landing safety based on such items as the type of aircraft using the airport.

The Tracy Municipal Airport is the closest airport to the Project site, located approximately 4.19 miles southwest of the site. The Airport is a general aviation airport owned by the City and managed by the Mobility and Housing Division of the City Manager's Office. The City of Tracy adopted an Airport Master Plan in 1998, analyzing the impacts to safety on surrounding development from the Tracy Municipal Airport.

The probability of an aircraft accident is highest along the extended runway centerline, and within one mile of the runway end. The Airport Master Plan designates four safety zones in which land use restrictions apply due to proximity to the airport:

1. Runway Protection Zone (RPZ)
2. Inner Approach Zone (PAZ0
3. Outer Approach Zone (OAZ)
4. Overflight Zone (OZ)

Land use constraints in these four zones become progressively less restrictive from the RPZ to the OZ. The proposed Project is not located in any of these four safety zones. The proposed Project is not within the Tracy Airport zone, nor is it within any area identified as impacted by the Tracy Municipal Airport in the San Joaquin County Airport Land Use Compatibility Plan (i.e., it is not within the Airport Influence Area). Therefore, ***no impact*** associated with private airstrips and airport land use plans would occur.

Response f) No Impact. The Project site currently connects to an existing network of City streets. The Project would not impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan. Therefore, there is **no impact** relative to this topic.

Response g) Less than Significant. The risk of wildfire is related to a variety of parameters, including fuel loading (vegetation), fire weather (winds, temperatures, humidity levels and fuel moisture contents) and topography (degree of slope). Steep slopes contribute to fire hazard by intensifying the effects of wind and making fire suppression difficult. Fuels such as grass are highly flammable because they have a high surface area to mass ratio and require less heat to reach the ignition point. The Project would not result in development of structures or housing which would subject residents, visitors, or workers to long-term wildfire danger. Therefore, impacts from Project implementation would be considered ***less than significant*** relative to this topic.

X. HYDROLOGY AND WATER QUALITY

Would the project:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
a) Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or ground water quality?			X	
b) Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin?			X	
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner which would:			X	
(i) result in substantial erosion or siltation on- or off-site;			X	
(ii) substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or offsite;			X	
(iii) create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems to provide substantial additional sources of polluted runoff; or			X	
(iv) impede or redirect flood flows?			X	
d) In flood hazard, tsunami, or seiche zones, risk release of pollutants due to project inundation?				X
e) Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?			X	

Responses to Checklist Questions

Responses a), c(i) – c(iv)) Less than Significant. The proposed Project does not contain any drainage connectivity to Waters of the US, nor is it located within a flood plain or flood hazard zone. Additionally, while the proposed Project would generate demand for water and wastewater which would require treatment, the proposed Project will not result in intensification of land uses, or the addition of structures or uses that would differ from the current General Plan.

In order to ensure that stormwater runoff from the Project site does not adversely increase pollutant levels in adjacent surface waters or exceed the capacity of the City's nearby stormwater conveyance infrastructure, the Project is required to adhere to the standards and requirements contained in Chapter 11.34 of the Tracy Municipal Code – Stormwater Management and Discharge Control. Additionally, the proposed Project includes a storm retention basin area of 49,200 square feet (containing a volume of approximately 109,500 cubic feet), which would retain the bulk of the stormwater from the new impervious surfaces associated with the Project site. Therefore, although the proposed Project adds additional impervious surfaces (such as an

asphalt parking lot) to the site that is currently pervious, the addition of impervious surfaces on-site would not lead to a violation of any water quality standards or waste discharge requirements, or otherwise substantially degrade surface or ground water quality.

Separately, the proposed Project would not alter a stream or river. As previously stated, the implementation of the proposed Project would result in additional impervious surfaces. As a standard practice, the City requires post-Project runoff to be equal to or less than pre-Project runoff, which would ensure that the proposed Project would not substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site.

Additionally, the Project is subject to the requirements of Chapter 11.34 of the Tracy Municipal Code – Stormwater Management and Discharge Control. The purpose of this Chapter is to *"Protect and promote the health, safety and general welfare of the citizens of the City by controlling non-stormwater discharges to the stormwater conveyance system, by eliminating discharges to the stormwater conveyance system from spills, dumping, or disposal of materials other than stormwater, and by reducing pollutants in urban stormwater discharges to the maximum extent practicable."*

This chapter is intended to assist in the protection and enhancement of the water quality of watercourses, water bodies, and wetlands in a manner pursuant to and consistent with the Federal Water Pollution Control Act (Clean Water Act, 33 USC Section 1251 et seq.), Porter-Cologne Water Quality Control Act (California Water Code Section 13000 et seq.) and NPDES Permit No. CAS000004, as such permit is amended and/or renewed.

New projects in the City of Tracy are required to provide site-specific storm drainage solutions and improvements that are consistent with the overall storm drainage infrastructure approach presented in the 2012 City of Tracy Citywide Storm Drainage Master Plan. Prior to approval of the improvement plans, a detailed storm drainage infrastructure plan shall be coordinated with the City of Tracy Development Services Department and Utilities Department for review and approval. The proposed Project's storm drainage infrastructure plans must demonstrate adequate infrastructure capacity to collect and direct all stormwater generated on the Project site to the existing stormwater conveyance system and demonstrate that the proposed Project would not result in on- or off-site flooding impacts.

Therefore, implementation of the proposed Project would result in a ***less than significant*** impact relative to this topic.

Responses b) and e) Less than Significant. The proposed Project would require ground water supplies, primarily for the on-site buildings and for localized fire suppression training purposes. However, the on-site buildings would not require a substantial amount of water, and the on-site fire suppression training that could require the use of water would be periodic and highly localized, thereby minimizing the amount of water needed. Overall, given the size and nature of the Project, the Project would not require substantial water use. Moreover, although a substantial amount of impervious surface would be added to the Project site (including asphalt for the on-site parking lot), on-site water runoff would be directed to the on-site storm retention basin. Moreover, the Project site is surrounded primarily by agricultural land; any runoff that is not routed to the on-site retention basin would percolate into the ground via the surrounding land. Therefore, the proposed Project would not significantly interfere with groundwater recharge. The Project site is also not located within a key groundwater recharge area. As such, impacts from Project implementation would be ***less than significant*** relative to this topic.

Response d) No Impact. The Project site is not within a 100-year, 200-year, or 500-year flood zone as delineated by FEMA. The Project site is not within a tsunami or seiche zine. Development of the proposed Project would not place housing or structures in a flood hazard area. Therefore, ***no impact*** from Project implementation relative to flood hazard, tsunami, or seiche zones would occur.

XI. LAND USE AND PLANNING

Would the project:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
a) Physically divide an established community?				X
b) Cause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect?			X	

Responses to Checklist Questions

Response a) No Impact. Development of the Project would not result in any physical barriers, such as a wall, or other division, that would divide an existing community. The Project would have ***no impact*** in regard to the physical division of an established community.

Response b) Less than Significant. The key planning documents that are directly related to, or that establish a framework within which the proposed Project must be consistent, include:

- City of Tracy General Plan; and
- City of Tracy Zoning Ordinance.

The Project site is currently designated Public Facilities by the City of Tracy General Plan Land Use Map and is zoned Agriculture (A).

The proposed Project would not conflict with any goals, policies, or implementing actions contained within the General Plan or other regulations adopted for the purpose of avoiding or mitigating an environmental effect. Therefore, there is ***less than significant*** related to this topic.

XII. MINERAL RESOURCES

Would the project:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?				X
b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?				X

Responses to Checklist Questions

Responses a)-b) No Impact. As described in the Tracy General Plan EIR, the main mineral resources found in San Joaquin County, and the Tracy Planning Area, are sand and gravel (aggregate), which are primarily used for construction materials such as asphalt and concrete. According to the California Geological Survey (CGS) evaluation of the quality and quantity of these resources, the most marketable aggregate materials in San Joaquin County are found in three main areas:

- In the Corral Hollow alluvial fan deposits south of Tracy;
- Along the channel and floodplain deposits of the Mokelumne River; and
- Along the San Joaquin River near Lathrop.

Figure 4.8-1 of the General Plan EIR identifies Mineral Resource Zones (MRZs) throughout the Tracy Planning Area. The Project site is located within an area designated as MRZ-1. The MRZ-1 designation applies to areas where adequate information indicates that no significant mineral deposits are present, or where it is judged that little likelihood exists for their presence. There are no substantial aggregate materials located within the Project site. Therefore, the Project would not result in the loss of availability of a known mineral resource or locally-important mineral resources recovery site. Therefore, there is ***no impact*** related to mineral resources.

XIII. NOISE

Would the project result in:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
a) Generation of a temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?			X	
b) Generation of excessive groundborne vibration or groundborne noise levels?			X	
c) For a project located within the vicinity of a private airstrip or an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?			X	

Responses to Checklist Questions

Responses a) Less than Significant. The proposed Project is located in an area consisting predominately of commercial land uses, with some limited residential uses nearby as well.

Construction activities have the potential to create temporary, or periodic increases in ambient noise levels in the Project vicinity above levels existing without the Project. Project construction would occur in phases, but in total, would be anticipated to take approximately one year. During the construction stage of the Project, noise from construction activities would add to the noise environment in the Project vicinity. Construction activities would include the use of heavy equipment including grading and compacting that can generate noise. Noise would also be generated during the construction phase by increased truck traffic on area roadways. This noise increase would be of short duration and would occur primarily during daytime hours.

Table 1 provides a list of the types of equipment which may be associated with construction activities and the associated noise levels. The nearest residential receptor would be located approximately 0.25 miles or further from construction activities.

Table 1: Construction Equipment Noise

Type of Equipment	Predicted Noise Level (L_{max} Db)				Distances To Noise Contours (Feet)	
	Noise Level At 50'	Noise Level At 100'	Noise Level At 50'	Noise Level At 100'	Noise Level At 50'	Noise Level At 100'
Backhoe	78	72	66	60	126	223
Compactor	83	77	71	65	223	397
Compressor (air)	78	72	66	60	126	223
Dozer	82	76	70	64	199	354
Dump Truck	76	70	64	58	100	177
Excavator	81	75	69	63	177	315
Generator	81	75	69	63	177	315

SOURCE: ROADWAY CONSTRUCTION NOISE MODEL USER'S GUIDE. FEDERAL HIGHWAY ADMINISTRATION. FHWA-HEP-05-054. JANUARY 2006.

Noise sensitive receptors near the construction site would, at times, experience elevated noise levels from construction activities; however, construction-related noise generally would occur during daytime hours only. General Plan Noise Element Policy 4 (Goal N-1.2) establishes the following construction requirements:

> *All construction in the vicinity of noise sensitive land uses, such as residences, hospitals, or convalescent homes, shall be limited to daylight hours or 7:00 a.m. to 7:00 p.m. In addition, the following construction noise control measures shall be included as requirements at construction sites to minimize construction noise impacts:*
>
> - *Equip all internal combustion engine-driven equipment with intake and exhaust mufflers that are in good condition and appropriate for the equipment.*
> - *Locate stationary noise-generating equipment as far as possible from sensitive receptors when sensitive receptors adjoin or are near a construction area.*
> - *Utilize "quiet" air compressors and other stationary noise sources where technology exists.*

Implementation of these required measures (i.e., engine muffling, placement of construction equipment, and strategic stockpiling and staging of construction vehicles), and compliance with the City Municipal Code requirements, would serve to further reduce exposure to construction noise levels. Adherence to City's General Plan, as well as City Municipal Code Title 4.12, Article 9 (Noise Control Ordinance), would minimize any impacts from noise during construction. Requirements stated above are adopted by the City as Conditions of Approval (COAs) for all new projects prior to project approval.

Separately, operational noise could be generated by on-site fire training activities, and off-site vehicle travel to and from the Project site. On-site fire training activities that could generate noise could include outdoor prop training activities in the northern portion of the Project site, as well as the potential for sirens and outdoor burns. However, with regard to on-site fire training activities, the nearest sensitive receptor is located far from the Project site.[3] Therefore, the noise associated with outdoor training activities would minimally affect the nearby sensitive receptors. Moreover, based on the Project size and type, the number of vehicles traveling to and from the Project site would be low (estimated to be a maximum of approximately 80 trips per day, based on the number of parking spaces that would be located within the Project site). Therefore, the potential for noise associated with Project operational activities to cause an increase in noise levels in excess of the local noise standards would be minimal.

Therefore, implementation of the proposed Project would have a ***less than significant*** impact relative to this topic.

Response b) Less than Significant. No major stationary sources of groundborne vibration were identified in the Project area that would result in the long-term exposure of proposed onsite land uses to unacceptable levels of ground vibration. In addition, the proposed Project would not involve the use of any major equipment or processes that would result in potentially significant levels of ground vibration that would exceed these standards at nearby existing land uses. However, construction activities associated with the proposed Project would require the use of

[3] The nearest sensitive receptor is located approximately 0.25 miles south of the Project site, south of W. 11th Street.

various tractors, trucks, and potentially jackhammers that could result in intermittent increases in groundborne vibration levels. The use of major groundborne vibration-generating construction equipment/processes (i.e., blasting, pile driving) is not anticipated to be required for construction of the proposed Project.

Groundborne vibration levels commonly associated with construction equipment are summarized in Table 2.

Table 2: Representative Vibration Source Levels for Construction Equipment

EQUIPMENT	*PEAK PARTICLE VELOCITY AT 25 FEET (IN/SEC)*
Large Bulldozers	0.089
Loaded Trucks	0.076
Jackhammer	0.035
Small Bulldozers	0.003

SOURCE: FTA 2006, CALTRANS 2004.

Based on the levels presented in Table 2, groundborne vibration generated by construction equipment would not be anticipated to exceed approximately 0.09 inches per second peak particle velocity (ppv) at 25 feet. Predicted vibration levels would not be anticipated to exceed recommended criteria for structural damage and human annoyance (0.2 and 0.1 in/sec ppv, respectively) at nearby land uses. As a result, short-term groundborne vibration impacts would be considered ***less than significant*** and no mitigation is required.

Response c) Less than Significant. The Tracy Municipal Airport is the closest airport to the Project site, located approximately 4.19 miles southwest of the site. The Airport is a general aviation airport owned by the City and managed by the Mobility and Housing Division of the City Manager's Office. The City of Tracy adopted an Airport Master Plan in 1998, analyzing the impacts to safety on surrounding development from the Tracy Municipal Airport.

The San Joaquin County Airport Land Use Plan establishes noise contours surrounding the Tracy Municipal Airport. As shown on Figure 4.14-3 of the Tracy General Plan Final Supplemental EIR (Certified on February 1, 2011), the Project site is located outside of both the 65 dB CNEL and the 60 dB CNEL noise contours for the Tracy Municipal Airport. As such, the Project site would not be exposed to excessive noise from the Tracy Municipal Airport. This is a ***less than significant*** impact, and no mitigation is required.

XIV. POPULATION AND HOUSING

Would the project:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
a) Induce substantial unplanned population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?			X	
b) Displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere?				X

Responses to Checklist Questions

Response a) Less than Significant. The Project does not propose any housing that would result in direct population growth. The proposed Project will not result in intensification of land uses, or the addition of structures or uses that would differ from the current General Plan. No population increases would result from implementation of the proposed Project. Therefore, implementation of the proposed Project would have a ***less than significant*** impact relative to this topic.

Response b) No Impact. The Project site is located within the Tracy City limit. The proposed Project would not displace housing or people. Implementation of the proposed Project would have ***no impact*** relative to this topic.

XV. PUBLIC SERVICES

	Potentially Significant Impact	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
a) Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:				
i) Fire protection?				X
ii) Police protection?				X
iii) Schools?				X
iv) Parks?				X
v) Other public facilities?				X

Responses to Checklist Questions

Responses ai), aii), aiii), aiv): No impact. The Project site is currently under the jurisdiction of the South San Joaquin County Fire Authority. The proposed Project would not add residential units to, or increase the population of, the City of Tracy. The proposed Project will not result in intensification of land use, or the addition of structures or uses that would differ from the current General Plan or previously-approved Projects. No additional demand for fire protection would be created by the Project. Therefore, implementation of the proposed Project will have ***no impact*** relating to this topic.

The Project site is currently under the jurisdiction of the Tracy Police Department. The proposed Project would not add residential units to, or increase the population of, the City of Tracy. The proposed Project would not result in intensification of land use, or the addition of structures or uses that would differ from the current General Plan or previously-approved Projects. No additional demand for police protection would be created by the Project. Therefore, implementation of the proposed Project will have ***no impact*** relative to this topic.

Schools within the City of Tracy are part of the Tracy Unified School District. The proposed Project does not include any residential units, or any other type of use that would directly or indirectly increase the student population in the area. Therefore, implementation of the proposed Project will have ***no impact*** relative to this topic.

The proposed Project does not include any residential units or any other type of use that would directly, or indirectly increase the population, or park demand in the area, or include any other type of use that would directly increase the park needs. The proposed Project will not result in intensification of land use, or the addition of structures or uses that would differ from the current General Plan. Therefore, the proposed Project would not have the potential to require construction of additional park and recreational facilities which may cause substantial adverse physical environmental impacts. Therefore, implementation of the proposed Project will have ***no impact*** relative to this topic.

XVI. RECREATION

	Potentially Significant Impact	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?				X
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?				X

Responses to Checklist Questions

Response a)-b) No Impact. The proposed Project does not include any residential units or any other type of use that would increase the population, or park and recreation facility demand in the area, or include any other type of use that would directly increase the use of park and recreation facilities. The proposed Project will not result in intensification of land uses, or the addition of structures or uses that would differ from the current General Plan. Therefore, the proposed Project would not significantly increase the use of existing facilities. Furthermore, it is not anticipated that any substantial physical deterioration of existing facilities would occur or be accelerated. Implementation of the proposed Project would have a ***no impact*** relative to this topic.

XVII. TRANSPORTATION

Would the project:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
a) Conflict with a program plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities?			X	
b) Would the project conflict or be inconsistent with CEQA Guidelines section 15064.3, subdivision (b)?			X	
c) Substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?			X	
d) Result in inadequate emergency access?			X	

Responses to Checklist Questions

Response a) Less than Significant. No new residential structures or uses are included in the Project. However, the Project would generate some operational vehicle trips from workers during on-site fire training activities. Based on the parking availability anticipated to be within the Project site (i.e., 40 spaces), the proposed Project could generate up to approximately 41 workers (including trainees) per day, which translates to up to approximately 80 operational vehicle trips per day (since each round trip is considered two trips). However, it should be noted that this is likely to be a large overestimate, since the Project is anticipated to be utilized on a part-time (rather than full-time) basis. Nevertheless, this number of vehicle trips generated during Project operation would be minimal. Therefore, there is a **less than significant** relative to this topic.

Response b) Less than Significant. The proposed Project would not add a notable amount of new vehicle trips to any area roadways, as described under Response a), nor can it reasonably assumed that it would meaningfully increase the length of any existing or future vehicle trips.

Moreover, crucially, Section 15064.3 of the current CEQA Guidelines gives agencies wide latitude in assessing transportation impacts with VMT. The more technical details of calculating VMT and assessing impacts are found in a Technical Advisory issued by OPR. The Technical Advisory provides guidance on assessing VMT, different methodologies, significance thresholds, and mitigation measures.

SB 743 authorized OPR to decide whether the new VMT-based approaches would apply only to "transit priority areas" or to all areas in the state. A transit priority area is an area within one-half mile of a major transit stop. A major transit stop is a "site containing an existing rail transit station, a ferry terminal served by either a bus or rail transit service, or the intersection of two or more major bus routes with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods." Pub. Res. Code § 21064.3. OPR has opted to require the new VMT-based analysis in all areas of the state, not just in transit priority areas. Transit priority areas are still relevant, however; land use projects within one-half mile of a major transit stop or a stop along a high-quality transit corridor should be presumed to have a less than significant transportation impact. A high-quality transit corridor is a corridor with fixed route bus service with service intervals that do not exceed 15 minutes during peak commute

hours. In addition, projects that decrease VMT in the project area as compared to existing conditions should be presumed to have a less than a significant impact.

Where quantitative models or methods are unavailable, section 15064.3 allows agencies to assess VMT qualitatively, using factors such as availability of transit and proximity to other destinations. The Guideline also states that the lead agency has discretion to choose the most appropriate methodology and can use its professional judgment to adjust its analysis accordingly.

While not legally binding, the Technical Advisory will be an important reference for agencies in determining how to calculate VMT, setting significance thresholds, and identifying mitigation measures. For instance, the Technical Advisory discusses the difference between tour-based and trip-based VMT. Trip-based VMT counts trips to and from one location (i.e., home to work) but does not count any trips taken in between, whereas tour-based VMT includes these trips. Either method can be used for residential and office projects, but the Technical Advisory recommends tour-based VMT because it is more comprehensive.

Globally, the Technical Advisory suggests that agencies use consistent methodologies for setting thresholds, estimating project VMT, and estimating reductions from mitigations, to allow for apples-to-apples comparisons.

The Technical Advisory also provides guidance for setting screening thresholds and thresholds of significance:

- As stated by the new Guideline, projects within one-half mile of a major transit stop or high-quality transit corridor should be presumed to result in a less-than-significant impact.
- Small projects that generate fewer than 110 trips per day may generally be assumed to cause a less-than-significant transportation impact.
- Agencies may develop map-based screening for residential and office projects where projects located near areas with low VMT may be presumed to have a less-than-significant transportation impact.
- Residential projects that result in per capita VMT that exceeds 85 percent of existing regional or city average VMT may indicate a significant impact.
- Office projects that result in per employee VMT that exceeds 85 percent of existing regional average VMT may indicate a significant impact.
- With retail projects, the Technical Advisory recommends that the analysis should be based on total change in VMT because retail projects usually re-route travel from other retail destinations.

Since the Project can be anticipated to generate fewer than 110 trips per day, the proposed Project fits the second guidance criteria for setting screening thresholds and thresholds of significance, as promulgated by OPR's Technical Advisory. Therefore, there is a **less than significant** impact associated with this impact.

Response c) and d) Less than Significant. No site circulation or access issues have been identified that would cause a traffic safety problem/hazard or any unusual traffic congestion or delay that could impede emergency vehicles or emergency access. The Project site would be

accessible from North Chrisman Road. The Project does not include any design features or incompatible uses that pose a significant safety risk. The Project would create no adverse impacts to emergency vehicle access or circulation. Therefore, Project implementation would have a ***less than significant*** impact relative to this topic.

XVIII. TRIBAL CULTURAL RESOURCES

	Potentially Significant Impact	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
Would the project cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code Section 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe, and that is:				
a) Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code Section 5020.1(k)?			X	
b) A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code Section 5024.1? In applying the criteria set forth in subdivision (c) of Public Resources Code Section 5024.1, the lead agency shall consider the significance of the resources to a California Native American tribe.			X	

Responses to Checklist Questions

Responses a)-b) Less than Significant. Known tribal cultural resources or sites are not located on the Project site. Additionally, unique geologic features are not located on the site. The Project site was formerly used for agricultural operations and is surrounded by existing or future urban development. No tribal cultural resources or geologic features are anticipated to be encountered during the Project's construction phase due to the disturbed nature of the site and the limited amount of excavation that would be required to implement the Project.

There are no known tribal cultural resources located on the Project site, nor is there evidence to suggest that tribal cultural resources may be present on the Project site. Therefore, it is not anticipated that site grading and preparation activities would result in impacts to tribal cultural resources. Therefore, Project implementation would have a ***less than significant*** impact relative to this topic.

XIX. UTILITIES AND SERVICE SYSTEMS

Would the project:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
a) Require or result in the relocation or construction of new or expanded water, wastewater treatment or storm water drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects?			X	
b) Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry, and multiple dry years?			X	
c) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the projects projected demand in addition to the providers existing commitments?			X	
d) Generate solid waste in excess of state or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reductions goals?			X	
e) Comply with federal, state, and local management and reduction statutes and regulations related to solid waste?			X	

Responses to Checklist Questions

Responses a)-e) Less than Significant. The proposed Project would result in the intensification of the land use, and the addition of structures. The proposed Project would increase demand for water, wastewater, electric power, solid waste disposal, and telecommunications facilities. Additionally, the increase in the number of impervious surfaces added by the Project would require the installation of a storm retention basin, which would be located in the northern portion of the Project site. require the expansion of any off-site drainage infrastructure. Further discussion of these impacts is provided in detail, below.

Water

The provision of public services and the construction of onsite infrastructure improvements will be required to accommodate the development of the proposed Project. The proposed Project would require extensions of offsite water conveyance infrastructure to the Project site for potable water and irrigation water. Water distribution will be by an underground distribution system to be installed as per the City of Tracy standards and specifications, as applicable. All offsite water utility improvements will be in or adjacent to existing roadways along the perimeter of the Project site, as applicable, thereby limiting any potential impact to areas that were not already disturbed. In addition, the City of Tracy Water Reservoir is located adjacent to the Project site (to the west). Overall, although the proposed Project would generate water demand from the proposed Project buildings and the on-site fire suppression activities during training, the amount of water generated by the proposed Project would be minimal in relation to the City of Tracy water sources as a whole. The City of Tracy currently has sufficient storage capacity in Zones 1

and 2 (existing system operations) and Zone 3 (future alternative system operations) to meet the needs of the proposed Project. Therefore, the proposed Project would not result in insufficient water supplies available to serve the proposed Project from existing entitlements and resources. Therefore, the proposed Project would result in a **less than significant** impact to water supplies.

Wastewater

The provision of public services and the construction of onsite infrastructure improvements will be required to accommodate the development of the proposed Project. Although a stand-alone septic system is planned for the proposed Project for Phase 1 and Phase 2 (see Project Description for further detail), as analyzed under Section VII. Geology and Soil Impact e), the proposed Project is anticipated to require extensions of offsite wastewater conveyance infrastructure to the Project site after development of Phase 3 of the Project. Wastewater lines would be connected via existing lines along nearby roadways, as applicable. All offsite water utility improvements will be in or adjacent to existing roadways along the perimeter of the Project site, thereby limiting any potential impact to areas that were not already disturbed.

No additional off-site improvements are required to serve the Project. Additionally, preliminary review indicates the utility plan meets City requirements for on-site sewer improvements. Ultimately, the sanitary sewer collection system will be an underground collection system installed as per the City of Tracy standards and specifications. Sanitary sewer disposal and treatment will be to the City of Tracy WWTP. The development of the proposed Project would not exceed the wastewater discharge requirements in the applicable Waste Discharge Requirement (WDR) Order. Therefore, the proposed Project is anticipated to have a **less than significant** impact relative to this topic.

Storm Drainage

Because the proposed Project increases impervious surface area from an existing undeveloped and predominately previous site, the Project site could increase runoff significantly. Project impacts to stormwater are considered potentially significant. Onsite storm drainage would be installed to serve the proposed Project. Development of the proposed Project would include construction of a new storm drainage system, as well as a storm retention basin located in the northern portion of the Project site.

Pursuant to section 11.34.210 Design Standards of the City's Municipal Code, installation of the Project's storm drain system would be required to conform to the design criteria, standard plans and specifications and the inspection and testing procedures set forth in the applicable City public improvement design standards. Thus, the proposed storm drainage collection and detention system will be subject to the SWRCB and City of Tracy regulations, including: Tracy Municipal Code, Tracy Storm Drain Master Plan, 2012; Phase II, NPDES Permit Requirements; NPDES-MS4 Permit Requirements; and LID Guidelines.

New projects in the City of Tracy are required to provide site-specific storm drainage solutions and improvements that are consistent with the overall storm drainage infrastructure approach presented in the 2012 City of Tracy Citywide Storm Drainage Master Plan. Prior to approval of the improvement plans, a detailed storm drainage infrastructure plan shall be coordinated with the City of Tracy Development Services Department and Utilities Department for review and approval. The proposed Project's storm drainage infrastructure plans must demonstrate adequate infrastructure capacity to collect and direct all stormwater generated on the Project site to the existing stormwater conveyance system and demonstrate that the proposed Project

would not result in storm water drainage impacts. Therefore, the proposed Project is anticipated to have a **less than significant** impact relative to this topic.

Solid Waste

The City of Tracy contracts with Tracy Disposal Service, a private company, for solid waste collection and disposal. Based on the Project size and type, solid waste generated by the proposed Project would be minimal. Solid waste would be generated mostly by the on-site Project buildings and would be anticipated to be 50 pounds per day or less.

Currently, the permitted capacity of the Foothill Landfill is 102 million cubic yards. The remaining capacity of the facility is approximately 95 million cubic yards. The remaining capacity of the facility is approximately 95 million cubic yards. Current permits indicate a closure in 2054. There are no plans to expand the Foothill Landfill or build a new one to accommodate Tracy's waste since the Foothill Landfill is expected to meet the City's needs for the foreseeable future. The addition of the volume of solid waste associated with the proposed Project to the Foothill Landfill would not exceed the landfill's remaining capacity.

Overall, the proposed Project would be required to comply with applicable State and local requirements including those pertaining to solid waste, construction waste diversion, and recycling. The City would coordinate development of the proposed Project with Tracy Disposal Service. Furthermore, the addition of the volume of solid waste associated with the proposed Project, approximately 0.03 tons per day, would increase the total tons of solid waste to the MRF; however, this increase would not cause an exceedance of the landfill's remaining capacity. Therefore, the proposed Project would not generate solid waste in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals or exceed any State or local standards associated with solid waste. Therefore, the proposed Project is anticipated to have a **less than significant** impact relative to this topic.

Conclusion

There are ***less than significant*** impacts related to this topic.

XX. WILDFIRE

	Potentially Significant Impact	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
If located in or near state responsibility areas or lands classified as very high fire hazard severity zones, would the project:				
a) Substantially impair an adopted emergency response plan or emergency evacuation plan?			X	
b) Due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to, pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire?			X	
c) Require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines, or other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment?			X	
d) Expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes?			X	

Response a) and d) Less than Significant. The proposed improvements would allow for decreased fire risk relative to existing conditions. The Project would not impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan, nor would it expose people or structures to significant risks associated with flooding or slope failure. Therefore, impacts from Project implementation would be considered ***less than significant*** relative to this topic.

Responses b) and c) Less than Significant. The risk of wildfire is related to a variety of parameters, including fuel loading (vegetation), fire weather (winds, temperatures, humidity levels and fuel moisture contents) and topography (degree of slope). Steep slopes contribute to fire hazard by intensifying the effects of wind and making fire suppression difficult. Fuels such as grass are highly flammable because they have a high surface area to mass ratio and require less heat to reach the ignition point. The Project would not result in development of structures or housing which would subject residents, visitors, or workers to long-term wildfire danger. The site is essentially flat and is not surrounded by fuels or other conditions conducive to wildfire risks, and no fuel breaks or other associated wildfire infrastructure would be required. Therefore, impacts from Project implementation are ***less than significant*** relative to this topic.

XXI. MANDATORY FINDINGS OF SIGNIFICANCE

	Potentially Significant Impact	***Less Than Significant with Mitigation Incorporation***	***Less Than Significant Impact***	***No Impact***
a) Does the project have the potential to substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?			X	
b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?			X	
c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?			X	

Responses to Checklist Questions

Responses a)-c) Less than Significant. As described throughout the analysis above, the proposed Project would not result in any significant impacts to the environment. As a result, the Project would not result in any cumulative impacts, impacts to biological resources or impacts to cultural and/or historical resources. These are ***less than significant*** impacts.

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APPENDIX A

PUBLIC COMMENTS
TO
NOTICE OF INTENT
TO FILE A
NEGATIVE DECLARATION

S J C O G, Inc.

555 East Weber Avenue ● Stockton, CA 95202 ● (209) 235-0574 ● Email: boyd@sjcog.org

San Joaquin County Multi-Species Habitat Conservation & Open Space Plan (SJMSCP)

SJMSCP RESPONSE TO LOCAL JURISDICTION (RTLJ)
ADVISORY AGENCY NOTICE TO SJCOG, Inc.

To: D'Evelyn Spekner, City of Tracy, Development Services Department

From: Laurel Boyd, SJCOG, Inc. Phone: (209) 235-0574 Email: boyd@sjcog.org

Date: September 26, 2023

-Local Jurisdiction Project Title: Notice of Intent to Adopt a Negative Declaration for the Tracy Fire Training Facility Project

Assessor Parcel Number(s): 250-030-07

Local Jurisdiction Project Number: CIP 71109

Total Acres to be converted from Open Space Use: Unknown

Habitat Types to be Disturbed: Agricultural Habitat Land

Species Impact Findings: Findings to be determined by SJMSCP biologist.

Dear Ms. D'Evelyn:

SJCOG, Inc. has reviewed the project referral for the Notice of Intent to Adopt a Negative Declaration for the Tracy Fire Training Facility Project. The project would include the construction of a fire training facility to meet the future fire training needs of the South San Joaquin County Fire Agency (SSJCFA). The proposed project is anticipated to include an office and classroom building, a storage building, a training tower, a parking lot containing approximately 40 parking spaces, a radio tower, and a prop training field. Fire suppression tactics and other firefighter training practices are anticipated to occur within the prop training field. In addition, an isolated rail car prop for training purposes would be located in the northern portion of the project site. Chain link fencing would surround the perimeter of the project site. The project site would be accessible from an access road that would connect to N. Chrisman Road, which would be located adjacent to the southern boundary of the Tracy NEI Reservoir. A storm retention basin containing approximately 109,500 cubic feet of volume would be located in the northeast portion of the project site. The project site is located north of Eleventh Street and east Chrisman Road, Tracy (APN: 250-030-07).

The City of Tracy is a signatory to San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (SJMSCP). Participation in the SJMSCP satisfies requirements of both the state and federal endangered species acts, and ensures that the impacts are mitigated below a level of significance in compliance with the California Environmental Quality Act (CEQA). The LOCAL JURISDICTION retains responsibility for ensuring that the appropriate Incidental Take Minimization Measure are properly implemented and monitored and that appropriate fees are paid in compliance with the SJMSCP. Although participation in the SJMSCP is voluntary, Local Jurisdiction/Lead Agencies should be aware that if project applicants choose against participating in the SJMSCP, they will be required to provide alternative mitigation in an amount and kind equal to that provided in the SJMSCP.

This Project is subject to the SJMSCP. This can be up to a 30 day process and it is recommended that the project applicant contact SJMSCP staff as early as possible. It is also recommended that the project applicant obtain an information package. http://www.sjcog.org

Please contact SJMSCP staff regarding completing the following steps to satisfy SJMSCP requirements:

- Schedule a SJMSCP Biologist to perform a pre-construction survey ***prior to any ground disturbance***
- SJMSCP Incidental take Minimization Measures and mitigation requirement:

1. Incidental Take Minimization Measures (ITMMs) will be issued to the project and must be signed by the project applicant prior to any ground disturbance but no later than six (6) months from receipt of the ITMMs. If ITMMs are not signed within six months, the applicant must reapply for SJMSCP Coverage. Upon receipt of signed ITMMs from project applicant, SJCOG, Inc. staff will sign the ITMMs. This is the effective date of the ITMMs.
2. Under no circumstance shall ground disturbance occur without compliance and satisfaction of the ITMMs.
3. Upon issuance of fully executed ITMMs and prior to any ground disturbance, the project applicant must:

a. Post a bond for payment of the applicable SJMSCP fee covering the entirety of the project acreage being covered (the bond should be valid for no longer than a 6 month period); or
b. Pay the appropriate SJMSCP fee for the entirety of the project acreage being covered; or
c. Dedicate land in-lieu of fees, either as conservation easements or fee title; or
d. Purchase approved mitigation bank credits.

4. Within 6 months from the effective date of the ITMMs or issuance of a building permit, whichever occurs first, the project applicant must:
   a. Pay the appropriate SJMSCP for the entirety of the project acreage being covered; or
   b. Dedicate land in-lieu of fees, either as conservation easements or fee title; or
   c. Purchase approved mitigation bank credits.

Failure to satisfy the obligations of the mitigation fee shall subject the bond to be called.

- Receive your Certificate of Payment and release the required permit

It should be noted that if this project has any potential impacts to waters of the United States [pursuant to Section 404 Clean Water Act], it would require the project to seek voluntary coverage through the unmapped process under the SJMSCP which could take up to 90 days. It may be prudent to obtain a preliminary wetlands map from a qualified consultant. If waters of the United States are confirmed on the project site, the Corps and the Regional Water Quality Control Board (RWQCB) would have regulatory authority over those mapped areas [pursuant to Section 404 and 401 of the Clean Water Act respectively] and permits would be required from each of these resource agencies prior to grading the project site.

If you have any questions, please call (209) 235-0574.

S J C O G, Inc.

San Joaquin County Multi-Species Habitat Conservation & Open Space Plan

555 East Weber Avenue ● Stockton, CA 95202 ● (209) 235-0600 ● FAX (209) 235-0438

SJMSCP HOLD

TO: Local Jurisdiction: Community Development Department, Planning Department, Building Department, Engineering Department, Survey Department, Transportation Department, Other: _____

FROM: Laurel Boyd, SJCOG, Inc.

DO NOT AUTHORIZE SITE DISTURBANCE
DO NOT ISSUE A BUILDING PERMIT
DO NOT ISSUE _____ FOR THIS PROJECT

The landowner/developer for this site has requested coverage pursuant to the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (SJMSCP). In accordance with that agreement, the Applicant has agreed to:

1) SJMSCP Incidental Take Minimization Measures and mitigation requirement:

1. Incidental Take Minimization Measures (ITMMs) will be issued to the project and must be signed by the project applicant prior to any ground disturbance but no later than six (6) months from receipt of the ITMMs. If ITMMs are not signed within six months, the applicant must reapply for SJMSCP Coverage. Upon receipt of signed ITMMs from project applicant, SJCOG, Inc. staff will sign the ITMMs. This is the effective date of the ITMMs.
2. Under no circumstance shall ground disturbance occur without compliance and satisfaction of the ITMMs.
3. Upon issuance of fully executed ITMMs and prior to any ground disturbance, the project applicant must:
   a. Post a bond for payment of the applicable SJMSCP fee covering the entirety of the project acreage being covered (the bond should be valid for no longer than a 6 month period); or
   b. Pay the appropriate SJMSCP fee for the entirety of the project acreage being covered; or
   c. Dedicate land in-lieu of fees, either as conservation easements or fee title; or
   d. Purchase approved mitigation bank credits.
4. Within 6 months from the effective date of the ITMMs or issuance of a building permit, whichever occurs first, the project applicant must:
   a. Pay the appropriate SJMSCP for the entirety of the project acreage being covered; or
   b. Dedicate land in-lieu of fees, either as conservation easements or fee title; or
   c. Purchase approved mitigation bank credits.

   Failure to satisfy the obligations of the mitigation fee shall subject the bond to be called.

Project Title: NOI to Adopt a Negative Declaration for the Tracy Fire Training Facility Project

Landowner/Applicant: City of Tracy

Assessor Parcel #s: 250-030-07

T _____, R_____, Section(s): _____

Local Jurisdiction Contact: D'Evelyn Spekner

The LOCAL JURISDICTION retains responsibility for ensuring that the appropriate Incidental Take Minimization Measures are properly implemented and monitored and that appropriate fees are paid in compliance with the SJMSCP.

16 October 2023

D'Evelyn V. Spekner
City of Tracy
333 Civic Center Plaza
Tracy, CA 95376
Develyn.Spekner@cityoftracy.org

COMMENTS TO REQUEST FOR REVIEW FOR THE NEGATIVE DECLARATION, TRACY FIRE TRAINING FACILITY, CIP 71109 PROJECT, SCH#2023090350, SAN JOAQUIN COUNTY

Pursuant to the State Clearinghouse's 15 September 2023 request, the Central Valley Regional Water Quality Control Board (Central Valley Water Board) has reviewed the *Request for Review for the Negative Declaration* for the Tracy Fire Training Facility, CIP 71109 Project, located in San Joaquin County.

Our agency is delegated with the responsibility of protecting the quality of surface and groundwaters of the state; therefore, our comments will address concerns surrounding those issues.

I. Regulatory Setting

Basin Plan

The Central Valley Water Board is required to formulate and adopt Basin Plans for all areas within the Central Valley region under Section 13240 of the Porter-Cologne Water Quality Control Act. Each Basin Plan must contain water quality objectives to ensure the reasonable protection of beneficial uses, as well as a program of implementation for achieving water quality objectives with the Basin Plans. Federal regulations require each state to adopt water quality standards to protect the public health or welfare, enhance the quality of water and serve the purposes of the Clean Water Act. In California, the beneficial uses, water quality objectives, and the Antidegradation Policy are the State's water quality standards. Water quality standards are also contained in the National Toxics Rule, 40 CFR Section 131.36, and the California Toxics Rule, 40 CFR Section 131.38.

The Basin Plan is subject to modification as necessary, considering applicable laws, policies, technologies, water quality conditions and priorities. The original Basin Plans were adopted in 1975, and have been updated and revised periodically as required, using Basin Plan amendments. Once the Central Valley Water Board has adopted a Basin Plan amendment in noticed public hearings, it must be approved by the State Water Resources Control Board (State Water Board), Office of

Administrative Law (OAL) and in some cases, the United States Environmental Protection Agency (USEPA). Basin Plan amendments only become effective after they have been approved by the OAL and in some cases, the USEPA. Every three (3) years, a review of the Basin Plan is completed that assesses the appropriateness of existing standards and evaluates and prioritizes Basin Planning issues. For more information on the *Water Quality Control Plan for the Sacramento and San Joaquin River Basins*, please visit our website:
http://www.waterboards.ca.gov/centralvalley/water_issues/basin_plans/

Antidegradation Considerations

All wastewater discharges must comply with the Antidegradation Policy (State Water Board Resolution 68-16) and the Antidegradation Implementation Policy contained in the Basin Plan. The Antidegradation Implementation Policy is available on page 74 at:
https://www.waterboards.ca.gov/centralvalley/water_issues/basin_plans/sacsjr_201805.pdf

In part it states:

Any discharge of waste to high quality waters must apply best practicable treatment or control not only to prevent a condition of pollution or nuisance from occurring, but also to maintain the highest water quality possible consistent with the maximum benefit to the people of the State.

This information must be presented as an analysis of the impacts and potential impacts of the discharge on water quality, as measured by background concentrations and applicable water quality objectives.

The antidegradation analysis is a mandatory element in the National Pollutant Discharge Elimination System and land discharge Waste Discharge Requirements (WDRs) permitting processes. The environmental review document should evaluate potential impacts to both surface and groundwater quality.

II. Permitting Requirements

Construction Storm Water General Permit

Dischargers whose project disturb one or more acres of soil or where projects disturb less than one acre but are part of a larger common plan of development that in total disturbs one or more acres, are required to obtain coverage under the General Permit for Storm Water Discharges Associated with Construction and Land Disturbance Activities (Construction General Permit), Construction General Permit Order No. 2009-0009-DWQ. Construction activity subject to this permit includes clearing, grading, grubbing, disturbances to the ground, such as stockpiling, or excavation, but does not include regular maintenance activities performed to restore the original line, grade, or capacity of the facility. The Construction General Permit requires the development and implementation of a Storm Water Pollution Prevention Plan (SWPPP). For more information on the Construction General Permit, visit the State Water Resources Control Board website at:

http://www.waterboards.ca.gov/water_issues/programs/stormwater/constpermits.shtml

Clean Water Act Section 404 Permit

If the project will involve the discharge of dredged or fill material in navigable waters or wetlands, a permit pursuant to Section 404 of the Clean Water Act may be needed from the United States Army Corps of Engineers (USACE). If a Section 404 permit is required by the USACE, the Central Valley Water Board will review the permit application to ensure that discharge will not violate water quality standards. If the project requires surface water drainage realignment, the applicant is advised to contact the Department of Fish and Game for information on Streambed Alteration Permit requirements. If you have any questions regarding the Clean Water Act Section 404 permits, please contact the Regulatory Division of the Sacramento District of USACE at (916) 557-5250.

Clean Water Act Section 401 Permit – Water Quality Certification

If an USACE permit (e.g., Non-Reporting Nationwide Permit, Nationwide Permit, Letter of Permission, Individual Permit, Regional General Permit, Programmatic General Permit), or any other federal permit (e.g., Section 10 of the Rivers and Harbors Act or Section 9 from the United States Coast Guard), is required for this project due to the disturbance of waters of the United States (such as streams and wetlands), then a Water Quality Certification must be obtained from the Central Valley Water Board prior to initiation of project activities. There are no waivers for 401 Water Quality Certifications. For more information on the Water Quality Certification, visit the Central Valley Water Board website at: https://www.waterboards.ca.gov/centralvalley/water_issues/water_quality_certification/

Waste Discharge Requirements – Discharges to Waters of the State

If USACE determines that only non-jurisdictional waters of the State (i.e., "non-federal" waters of the State) are present in the proposed project area, the proposed project may require a Waste Discharge Requirement (WDR) permit to be issued by Central Valley Water Board. Under the California Porter-Cologne Water Quality Control Act, discharges to all waters of the State, including all wetlands and other waters of the State including, but not limited to, isolated wetlands, are subject to State regulation. For more information on the Waste Discharges to Surface Water NPDES Program and WDR processes, visit the Central Valley Water Board website at:https://www.waterboards.ca.gov/centralvalley/water_issues/waste_to_surface_water/

Projects involving excavation or fill activities impacting less than 0.2 acre or 400 linear feet of non-jurisdictional waters of the state and projects involving dredging activities impacting less than 50 cubic yards of non-jurisdictional waters of the state may be eligible for coverage under the State Water Resources Control Board Water Quality Order No. 2004-0004-DWQ (General Order 2004-0004). For more information on the General Order 2004-0004, visit the State Water Resources Control Board website at:

https://www.waterboards.ca.gov/board_decisions/adopted_orders/water_quality/2004/wqo/wqo2004-0004.pdf

Dewatering Permit

If the proposed project includes construction or groundwater dewatering to be discharged to land, the proponent may apply for coverage under State Water Board General Water Quality Order (Low Threat General Order) 2003-0003 or the Central Valley Water Board's Waiver of Report of Waste Discharge and Waste Discharge Requirements (Low Threat Waiver) R5-2018-0085. Small temporary construction dewatering projects are projects that discharge groundwater to land from excavation activities or dewatering of underground utility vaults. Dischargers seeking coverage under the General Order or Waiver must file a Notice of Intent with the Central Valley Water Board prior to beginning discharge.

For more information regarding the Low Threat General Order and the application process, visit the Central Valley Water Board website at: http://www.waterboards.ca.gov/board_decisions/adopted_orders/water_quality/2003/wqo/wqo2003-0003.pdf

For more information regarding the Low Threat Waiver and the application process, visit the Central Valley Water Board website at: https://www.waterboards.ca.gov/centralvalley/board_decisions/adopted_orders/waivers/r5-2018-0085.pdf

Limited Threat General NPDES Permit

If the proposed project includes construction dewatering and it is necessary to discharge the groundwater to waters of the United States, the proposed project will require coverage under a National Pollutant Discharge Elimination System (NPDES) permit. Dewatering discharges are typically considered a low or limited threat to water quality and may be covered under the General Order for *Limited Threat Discharges to Surface Water* (Limited Threat General Order). A complete Notice of Intent must be submitted to the Central Valley Water Board to obtain coverage under the Limited Threat General Order. For more information regarding the Limited Threat General Order and the application process, visit the Central Valley Water Board website at: https://www.waterboards.ca.gov/centralvalley/board_decisions/adopted_orders/general_orders/r5-2016-0076-01.pdf

NPDES Permit

If the proposed project discharges waste that could affect the quality of surface waters of the State, other than into a community sewer system, the proposed project will require coverage under a National Pollutant Discharge Elimination System (NPDES) permit. A complete Report of Waste Discharge must be submitted with the Central Valley Water Board to obtain a NPDES Permit. For more information regarding the NPDES Permit and the application process, visit the Central Valley Water Board website at: https://www.waterboards.ca.gov/centralvalley/help/permit/

If you have questions regarding these comments, please contact me at (916) 464-4684 or Peter.Minkel2@waterboards.ca.gov.

Peter Minkel

Peter Minkel
Engineering Geologist

cc: State Clearinghouse unit, Governor's Office of Planning and Research, Sacramento

San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT

HEALTHY AIR LIVING™

October 26, 2023

D'Evelyn Spekner
City of Tracy
Development Services
333 Civic Center Plaza
Tracy, CA 95376

Project: Tracy Fire Training Facility, CIP 71109

District CEQA Reference No: 20230872

Dear Ms. Spekner,

The San Joaquin Valley Air Pollution Control District (District) has reviewed the Initial Study (IS) and Negative Declaration (ND) from the City of Tracy (City) for the project referenced above. Per the IS/ND, the project consists of a fire training facility to meet the future fire training needs of the South San Joaquin County Fire Authority (Project). The Project is located on the south side of Brishetto Road, approximately 0.09 miles east of N. Chrisman Road.

The District offers the following comments at this time regarding the Project:

1) **Electric On-Site Off-Road and On-Road Equipment**

Since the Project is a fire training facility, it may have the potential to result in increased use of off-road equipment (e.g., forklifts) and on-road equipment (e.g., mobile yard trucks with the ability to move materials). The District recommends that the IS/ND include requirements for project proponents to utilize electric or zero emission off-road and on-road equipment.

2) **Vegetative Barriers and Urban Greening**

There is a residential unit located .25 mile south of the Project. The District suggests the City consider the feasibility of incorporating vegetative barriers and urban greening as a measure to further reduce air pollution exposure on sensitive receptors (e.g., residential unit).

Samir Sheikh
Executive Director/Air Pollution Control Officer

Northern Region
4800 Enterprise Way
Modesto, CA 95356-8718
Tel: (209) 557-6400 FAX: (209) 557-6475

Central Region (Main Office)
1990 E. Gettysburg Avenue
Fresno, CA 93726-0244
Tel: (559) 230-6000 FAX: (559) 230-6061

Southern Region
34946 Flyover Court
Bakersfield, CA 93308-9725
Tel: (661) 392-5500 FAX: (661) 392-5585

www.valleyair.org www.healthyairliving.com

Printed on recycled paper.

While various emission control techniques and programs exist to reduce air quality emissions from mobile and stationary sources, vegetative barriers have been shown to be an additional measure to potentially reduce a population's exposure to air pollution through the interception of airborne particles and the update of gaseous pollutants. Examples of vegetative barriers include, but are not limited to the following: trees, bushes, shrubs, or a mix of these. Generally, a higher and thicker vegetative barrier with full coverage will result in greater reductions in downwind pollutant concentrations. In the same manner, urban greening is also a way to help improve air quality and public health in addition to enhancing the overall beautification of a community with drought tolerant, low-maintenance greenery.

3) Clean Lawn and Garden Equipment in the Community

Since the Project consists of an educational development, gas-powered lawn and garden equipment have the potential to result in an increase of NOx and PM2.5 emissions. Utilizing electric lawn care equipment can provide residents with immediate economic, environmental, and health benefits. The District recommends the Project proponent consider the District's Clean Green Yard Machines (CGYM) program which provides incentive funding for replacement of existing gas powered lawn and garden equipment. More information on the District CGYM program and funding can be found at: http://valleyair.org/grants/cgym-commercial.htm.

4) On-Site Solar Deployment

It is the policy of the State of California that renewable energy resources and zero-carbon resources supply 100% of retail sales of electricity to California end-use customers by December 31, 2045. While various emission control techniques and programs exist to reduce air quality emissions from mobile and stationary sources, the production of solar energy is contributing to improving air quality and public health. The District suggests that the City consider incorporating solar power systems as an emission reduction strategy for the Project.

5) Electric Infrastructure

To support and accelerate the installation of electric vehicle charging equipment and development of required infrastructure, the District offers incentives to public agencies, businesses, and property owners of multi-unit dwellings to install electric charging infrastructure (Level 2 and 3 chargers). The purpose of the District's Charge Up! Incentive program is to promote clean air alternative-fuel technologies and the use of low or zero-emission vehicles. The District recommends that the City and project proponents install electric vehicle chargers at project sites, and at strategic locations.

Please visit www.valleyair.org/grants/chargeup.htm for more information.

6) District Rules and Regulations

The District issues permits for many types of air pollution sources, and regulates some activities that do not require permits. A project subject to District rules and regulations would reduce its impacts on air quality through compliance with the District's regulatory framework. In general, a regulation is a collection of individual rules, each of which deals with a specific topic. As an example, Regulation II (Permits) includes District Rule 2010 (Permits Required), Rule 2201 (New and Modified Stationary Source Review), Rule 2520 (Federally Mandated Operating Permits), and several other rules pertaining to District permitting requirements and processes.

The list of rules below is neither exhaustive nor exclusive. Current District rules can be found online at: www.valleyair.org/rules/1ruleslist.htm. To identify other District rules or regulations that apply to future projects, or to obtain information about District permit requirements, the project proponents are strongly encouraged to contact the District's Small Business Assistance (SBA) Office at (559) 230-5888.

6a) District Rules 2010 and 2201 - Air Quality Permitting for Stationary Sources

Stationary Source emissions include any building, structure, facility, or installation which emits or may emit any affected pollutant directly or as a fugitive emission. District Rule 2010 (Permits Required) requires operators of emission sources to obtain an Authority to Construct (ATC) and Permit to Operate (PTO) from the District. District Rule 2201 (New and Modified Stationary Source Review) requires that new and modified stationary sources of emissions mitigate their emissions using Best Available Control Technology (BACT).

This Project may be subject to District Rule 2010 (Permits Required) and Rule 2201 (New and Modified Stationary Source Review) and may require District permits. Prior to construction, the Project proponent should submit to the District an application for an ATC. For further information or assistance, the project proponent may contact the District's SBA Office at (559) 230-5888.

6b) District Rule 9510 - Indirect Source Review (ISR)

The purpose of District Rule 9510 is to reduce the growth in both NOx and PM emissions associated with development and transportation projects from mobile and area sources; specifically, the emissions associated with the construction and subsequent operation of development projects. The ISR Rule requires developers to mitigate their NOx and PM emissions by incorporating clean air design elements into their projects. Should the proposed development project clean air design elements be insufficient to meet the required emission

reductions, developers must pay a fee that ultimately funds incentive projects to achieve off-site emissions reductions.

Per Section 5.0 of the ISR Rule, an Air Impact Assessment (AIA) application is required to be submitted no later than applying for project-level approval from a public agency.

District staff is unable to determine rule applicability to the Project and recommend that the project proponent contact the District by phone at (559) 230-5900 or by email at ISR@valleyair.org.

Information about how to comply with District Rule 9510 can be found online at: http://www.valleyair.org/ISR/ISRHome.htm.

The AIA application form can be found online at: http://www.valleyair.org/ISR/ISRFormsAndApplications.htm.

6c) District Rule 4601 (Architectural Coatings)

The Project may be subject to District Rule 4601 since it may utilize architectural coatings. Architectural coatings are paints, varnishes, sealers, or stains that are applied to structures, portable buildings, pavements or curbs. The purpose of this rule is to limit VOC emissions from architectural coatings. In addition, this rule specifies architectural coatings storage, cleanup and labeling requirements. Additional information on how to comply with District Rule 4601 requirements can be found online at: http://www.valleyair.org/rules/currntrules/r4601.pdf

6d) District Regulation VIII (Fugitive PM10 Prohibitions)

The project proponent may be required to submit a Construction Notification Form or submit and receive approval of a Dust Control Plan prior to commencing any earthmoving activities as described in Regulation VIII, specifically Rule 8021 – *Construction, Demolition, Excavation, Extraction, and Other Earthmoving Activities.*

Should the project result in at least 1-acre in size, the project proponent shall provide written notification to the District at least 48 hours prior to the project proponents intent to commence any earthmoving activities pursuant to District Rule 8021 (Construction, Demolition, Excavation, Extraction, and Other Earthmoving Activities). Also, should the project result in the disturbance of 5-acres or more, or will include moving, depositing, or relocating more than 2,500 cubic yards per day of bulk materials, the project proponent shall submit to the District a Dust Control Plan pursuant to District Rule 8021 (Construction, Demolition, Excavation, Extraction, and Other Earthmoving Activities). For

additional information regarding the written notification or Dust Control Plan requirements, please contact District Compliance staff at (559) 230-5950.

The application for both the Construction Notification and Dust Control Plan can be found online at:
https://www.valleyair.org/busind/comply/PM10/forms/DCP-Form.docx

Information about District Regulation VIII can be found online at:
http://www.valleyair.org/busind/comply/pm10/compliance_pm10.htm

6e) Other District Rules and Regulations

The Project may also be subject to the following District rules: Rule 4102 (Nuisance) and Rule 4641 (Cutback, Slow Cure, and Emulsified Asphalt, Paving and Maintenance Operations).

7) District Comment Letter

The District recommends that a copy of the District's comments be provided to the Project proponent.

If you have any questions or require further information, please contact Ryan Grossman by e-mail at Ryan.grossman@valleyair.org or by phone at (559) 230-6569.

Sincerely,

Brian Clements
Director of Permit Services



For: Mark Montelongo
Program Manager

Notice of Completion & Environmental Document Transmittal

Mail to: State Clearinghouse, P.O. Box 3044, Sacramento, CA 95812-3044 (916) 445-0613
For Hand Delivery/Street Address: 1400 Tenth Street, Sacramento, CA 95814

SCH #

Project Title: Tracy Fire Training Facility, CIP 71109

Lead Agency: City of Tracy | Contact Person: D'Evelyn V. Spekner
Mailing Address: 333 Civic Center Plaza | Phone: (209) 831.6453
City: Tracy | Zip: 95376 | County: San Joaquin

Project Location: County: San Joaquin | City/Nearest Community: Tracy
Cross Streets: Brichetto Road and North Chrisman Road | Zip Code: 95304
Longitude/Latitude (degrees, minutes and seconds): 37 ° 44 ′ 36.14″ N / 121 ° 23 ′ 46.33″ W | Total Acres: 5.9
Assessor's Parcel No.: 250-030-07 | Section: | Twp.: | Range: | Base:
Within 2 Miles: State Hwy #: I-205 | Waterways: N/A
Airports: N/A | Railways: UPRR | Schools: Various

Document Type:

CEQA: ☐ NOP ☐ Early Cons ☒ Neg Dec ☐ Mit Neg Dec | ☐ Draft EIR ☐ Supplement/Subsequent EIR (Prior SCH No.) ☐ Other:
NEPA: ☐ NOI ☐ EA ☐ Draft EIS ☐ FONSI | Other: ☐ Joint Document ☐ Final Document ☐ Other:

Local Action Type:

☐ General Plan Update ☐ General Plan Amendment ☐ General Plan Element ☐ Community Plan
☐ Specific Plan ☐ Master Plan ☐ Planned Unit Development ☒ Site Plan
☐ Rezone ☐ Prezone ☐ Use Permit ☐ Land Division (Subdivision, etc.)
☐ Annexation ☐ Redevelopment ☐ Coastal Permit ☐ Other:

Development Type:

☐ Residential: Units Acres
☐ Office: Sq.ft. Acres Employees
☐ Commercial: Sq.ft. Acres Employees
☐ Industrial: Sq.ft. Acres Employees
☐ Educational:
☐ Recreational:
☐ Water Facilities: Type MGD
☐ Transportation: Type
☐ Mining: Mineral
☐ Power: Type MW
☐ Waste Treatment: Type MGD
☐ Hazardous Waste: Type
☒ Other: Fire Training Facility

Project Issues Discussed in Document:

☒ Aesthetic/Visual ☒ Agricultural Land ☒ Air Quality ☒ Archeological/Historical ☒ Biological Resources ☐ Coastal Zone ☒ Drainage/Absorption ☒ Economic/Jobs
☐ Fiscal ☒ Flood Plain/Flooding ☒ Forest Land/Fire Hazard ☒ Geologic/Seismic ☒ Minerals ☒ Noise ☒ Population/Housing Balance ☒ Public Services/Facilities
☒ Recreation/Parks ☒ Schools/Universities ☒ Septic Systems ☒ Sewer Capacity ☒ Soil Erosion/Compaction/Grading ☒ Solid Waste ☒ Toxic/Hazardous ☒ Traffic/Circulation
☒ Vegetation ☒ Water Quality ☒ Water Supply/Groundwater ☒ Wetland/Riparian ☒ Growth Inducement ☒ Land Use ☒ Cumulative Effects ☐ Other:

Present Land Use/Zoning/General Plan Designation:

Present Land Use: Agriculture/Zoning: Agriculture (A)/General Plan Designation: Public Facilities

Project Description: *(please use a separate page if necessary)*

The Project would include construction of a fire training facility to meet the future fire training needs of the South San Joaquin County Fire Agency (SSJCFA). The proposed Project is anticipated to include an office and classroom building, a storage building, a training tower, a parking lot containing approximately 40 parking spaces, a radio tower, and a prop training field. Fire suppression tactics and other firefighter training practices are anticipated to occur within the prop training field. In addition, an isolated rail car prop for training purposes would be located in the northern portion of the Project site. Chain-link fencing would surround the perimeter of the Project site. The Project site would be accessible from an access road that would connect to N. Chrisman Road, which would be located adjacent to the southern boundary of the Tracy NEI Reservoir.

Note: The State Clearinghouse will assign identification numbers for all new projects. If a SCH number already exists for a project (e.g. Notice of Preparation or previous draft document) please fill in.

Reviewing Agencies Checklist

Lead Agencies may recommend State Clearinghouse distribution by marking agencies below with and "**X**".
If you have already sent your document to the agency please denote that with an "**S**".

X	Air Resources Board		Office of Historic Preservation
	Boating & Waterways, Department of		Office of Public School Construction
X	California Emergency Management Agency		Parks & Recreation, Department of
	California Highway Patrol	X	Pesticide Regulation, Department of
X	Caltrans District # 10		Public Utilities Commission
	Caltrans Division of Aeronautics	X	Regional WQCB # 5S
X	Caltrans Planning		Resources Agency
X	Central Valley Flood Protection Board		Resources Recycling and Recovery, Department of
	Coachella Valley Mtns. Conservancy		S.F. Bay Conservation & Development Comm.
	Coastal Commission		San Gabriel & Lower L.A. Rivers & Mtns. Conservancy
	Colorado River Board		San Joaquin River Conservancy
X	Conservation, Department of		Santa Monica Mtns. Conservancy
	Corrections, Department of		State Lands Commission
	Delta Protection Commission		SWRCB: Clean Water Grants
	Education, Department of	X	SWRCB: Water Quality
X	Energy Commission	X	SWRCB: Water Rights
X	Fish & Game Region # 2		Tahoe Regional Planning Agency
	Food & Agriculture, Department of	X	Toxic Substances Control, Department of
	Forestry and Fire Protection, Department of	X	Water Resources, Department of
	General Services, Department of		
	Health Services, Department of		Other:
	Housing & Community Development		Other:
X	Native American Heritage Commission		

Local Public Review Period (to be filled in by lead agency)

Starting Date September 15, 2023 Ending Date October 16, 2023

Lead Agency (Complete if applicable):

Consulting Firm: De Novo Planning Group
Address: 1020 Suncast Lane, Suite 106
City/State/Zip: El Dorado Hills, CA
Contact: Josh Smith
Phone: (916) 805-1281

Applicant: City of Tracy
Address: 333 Civic Center Plaza
City/State/Zip: Tracy, CA 95376
Phone: (209) 831.6453

Signature of Lead Agency Representative: Josh Smith **Date:** 9/15/2023

Authority cited: Section 21083, Public Resources Code. Reference: Section 21161, Public Resources Code.

ATTACHMENT C

Notice of Determination

To:

☒ Office of Planning and Research

U.S. Mail:	*Street Address:*
P.O. Box 3044	1400 Tenth St., Rm 113
Sacramento, CA 95812-3044	Sacramento, CA 95814

☒ County Clerk
County of: San Joaquin
Address: 44 North San Joaquin Street, Suite 260
Stockton, CA 95202

From:
Public Agency: City of Tracy
Address: 333 Civic Center Plaza
Tracy, California 95376
Contact: D'Evelyn Spekner, Associate Engineer
Phone: (209) 831-6453

Lead Agency (if different from above):
Address:
Contact:
Phone:

SUBJECT: Filing of Notice of Determination in compliance with Section 21108 or 21152 of the Public Resources Code.

State Clearinghouse Number (if submitted to State Clearinghouse): 2023090350

Project Title: Tracy Fire Training Facility

Project Applicant: City of Tracy

Project Location (include county): Intersection of Chrisman Road and Brichetto Road in San Joaquin County, CA

Project Description:
The Project includes construction of a fire training facility to meet the future fire training needs of the South San Joaquin County Fire Authority (SJCFA). The Project, constructed in phases, is anticipated to include an office/ classroom building, a storage building, a training tower, a parking lot with approximately 40 parking spaces, a radio tower, a prop training field, a 109,500 cf storm retention basin, and a chain-link fence surrounding the site.The site will be accessible from an access road that connects to N. Chrisman Road, adjacent to the southern boundary of the Tracy NEI Reservoir.

This is to advise that the City of Tracy has approved the above
(☒ Lead Agency or ☐ Responsible Agency)

described project on May 21, 2024 and has made the following determinations regarding the above
(date)
described project.

1. The project [☐ will ☒ will not] have a significant effect on the environment.
2. ☐ An Environmental Impact Report was prepared for this project pursuant to the provisions of CEQA.
   ☒ A Negative Declaration was prepared for this project pursuant to the provisions of CEQA.
3. Mitigation measures [☐ were ☒ were not] made a condition of the approval of the project.
4. A mitigation reporting or monitoring plan [☐ was ☒ was not] adopted for this project.
5. A statement of Overriding Considerations [☐ was ☒ was not] adopted for this project.
6. Findings [☒ were ☐ were not] made pursuant to the provisions of CEQA.

This is to certify that the final EIR with comments and responses and record of project approval, or the negative Declaration, is available to the General Public at:
City of Tracy, Development Services, 333 Civic Center Plaza, Tracy, CA 95376

Signature (Public Agency): _____ Title: _____

Date: _____ Date Received for filing at OPR: _____

Authority cited: Sections 21083, Public Resources Code.
Reference Section 21000-21174, Public Resources Code.

Revised 2011

ATTACHMENT D

MEMORANDUM OF UNDERSTANDING
BETWEEN
SAN JOAQUIN COUNTY
AND
CITY OF TRACY
SOUTH SAN JOAQUIN FIRE TRAINING FACILITY PROJECT: CAO-22-695

Funding Amount Approved: $2,599,234

PARTIES:

COUNTY:

County of San Joaquin
County Administrator
44 N. San Joaquin Street, Suite 640
Stockton, CA 95202

Contact: Sandra Regalo
Phone: (209) 468-3203
Email: sregalo@sjgov.org

CITY:

City of Tracy
Employer ID #: 94-6000442
333 Civic Center Plaza
Tracy, CA 95376

Contact: Koosun Kim
Phone: (209) 831-6400
Email: Koosun.Kim@cityoftracy.org

This Memorandum of Understanding ("MOU") is made and entered into this ___ day of _____, 2024, by and between City of Tracy, a California General Law City ("City"), and San Joaquin County, a political subdivision of the State of California, through its County Administrator ("COUNTY").

RECITALS

Overview

The South San Joaquin County Fire Authority (SSJCFA) is Joint Powers Authority originally formed in 1999 by the consolidation of the Tracy Rural Fire Protection District and the City of Tracy Fire Department. With a population of over 120,000 residents, SSJCFA is a full- service fire agency that provides all risk response to the County's largest fire service response area covering 170 square miles of urban, suburban, and rural areas. SSJCFA staffs seven fire stations with seven Advanced Life Support (ALS) engine companies and one ALS ladder truck company. SSJCFA staffs one of twelve State OES Type I Hazardous Materials Teams. SSJCFA is comprised of a uniformed staff of 86 personnel and a total staff of 100 personnel and responds annually to more than 10,000 emergencies.

The 2013 Citywide Public Safety Master Plan (CPSMP) identified the need for construction of a Fire Training Facility at the location of the Police Gun Range on South Tracy Boulevard and was included in the Nexus Study for that location. Subsequent to the adoption of the 2013 CPSMP, the South San Joaquin County Fire Authority (SSJCFA) recommended an alternate and more suitable location at the NEI Reservoir on Chrisman Road. On February 5, 2019, the Tracy City Council approved Resolution No. 2019-013 creating CIP 71109 for the Fire Training Tower Apparatus at the NEI Reservoir (Project).

In the early design phase of the project, a key objective was to develop a site plan that was capable if expansion in order to accommodate additional fire training props and facilities that is capable of meeting the future needs of the SSJCFA.

On October 4, 2022, the San Joaquin County Board of Supervisors approved the use of $2,599,234 of American Rescue Plan Act (ARPA) funds toward the Project. As part of Phase 1 and Phase 2 of the fire training facility development process, the City of Tracy agreed to allocate a 5.13 acre site, create a city CIP, and manage the overall project. The City of Tracy is the lead agency on the project. CEQA, Geotech studies, and construction drawings have been completed.

COUNTY and CITY mutually desire to enter into this MOU to memorialize the rights, duties, and obligations of each toward the other in connection with the Project that the CITY will construct for the benefit of the CITY, regional public safety entities, and educational entities that include:

- Delta College – EMT and Fire Science Classes
- Tracy Unified School District – Fire Service Classes
- Defense Logistics Agency Fire Department – Firefighter Training
- Mountain House Fire Department – Firefighter Training
- Cal Fire-Firefighter Training, regional meetings
- Tracy Police Department – Law Enforcement classroom and SWAT tactical training
- San Joaquin County Emergency Management – meetings and classroom training
- California Highway Patrol – Classroom training and meetings

City of Tracy

Project: South San Joaquin County Fire Training Facility

South San Joaquin County Fire Authority (SSJCFA) jurisdictional responsibilities include significant county, state, and federal infrastructure that requires specialized training. SSJCFA is one of the largest fire agencies in California that does not have a training facility within or near their jurisdictional boundaries. The SSJCFA is requesting county, state, and federal funding for this project due to the unique fire protection challenges in providing emergency response capabilities to diverse and expansive county, state, and federal infrastructure.

County ARPA funding, combined with City of Tracy and Tracy Rural Fire District funding, will be used to complete the following aspects of the Project:

- Paving of 1.75 of the 5.13 acre site.
- Electrical, water and storm drain infrastructure.
- Installation of 2 fire hydrants.
- Fencing around the 5.13 acre site that includes an electric vehicle access gate.
- Purchase and installation of a 2,880 square foot pre-fabricated classroom facility that will include 2 restrooms, 40 person classroom, 3 offices, reception area, kitchenette, and an EMS clinical area.
- Erection of a pre-fabricated three story fire training tower that was purchased through a FEMA facilitated Assistance to Firefighter Grant.

The original Phase 1 of the Project ($1.2 million) was funded by the Tracy Rural Fire District and the City of Tracy. The City was in the process of issuing the Requests for Proposals for construction through the competitive bidding process when San Joaquin County awarded $2,599,234 of American Recovery Plan Act (ARPA) funding to South San Joaquin Fire Authority to expand Phase 1 of the Project. The approved budget for the construction of expanded Phase 1 Fire Training Facility is now approximately $3.7 million as shown in the following table. The County agrees to contribute $2,599,234 towards the Project on a reimbursement basis.

***** FIRE TRAINING FACILITY at NEI RESERVOIR - PHASE 1*****
***PRELIMINARY CONSTRUCTION COST ESTIMATE ***
AS OF OCTOBER 20,2023

SCHACK & COMPANY, INC.
1025 Central Avenue
Tracy, California 95376

Job No: 22.054
Estimate Date: October 20, 2023
Estimated By: Staff

	ITEM DESCRIPTION	QUANTITY	UNIT COST	ITEM TOTAL
A	**SITE WORK:**			
	Earthworks	1 EA	$196,075.00 LS	$196,075.00
	Concrete Prep to Subgrade	1 EA	$56,680.00 LS	$56,680.00
	Paving	1 EA	$348,145.00 LS	$348,145.00
	Concrete - Site Only	1 EA	$57,860.00 LS	$57,860.00
	Signage & Striping	1 EA	$9,050.00 LS	$9,050.00
			SUBTOTAL:	$667,810.00
B	**UTILITES:**			
	Wet Utilities	1 EA	$152,650.00 LS	$152,650.00
	Domestic Water & Irrigation	1 EA	$37,570.00 LS	$37,570.00
	Electrical - PG&E & Transformer Pad	1 EA	$275,000.00 LS	$275,000.00
			SUBTOTAL:	$465,220.00
C	**FIRE SERVICE IMPROVEMENTS:**			
	Fire Systems	1 EA	$235,970.00 LS	$235,970.00
	Training Tower Foundation	1 EA	$64,805.00 LS	$64,805.00
	Tower Apparatus Erection & Assembly	1 EA	$272,935.00 LS	$272,935.00
	Tower Apparatus Additional Steel Members	1 EA	$20,880.00 LS	$20,880.00
			SUBTOTAL:	$594,590.00
D	**MISCELLANEOUS:**			
	Modular Building & Foundation	1 EA	$1,000,000.00 LS	$1,000,000.00
	Traffic Control	1 EA	$30,475.00 LS	$30,475.00
	SWPPP - NOI	1 EA	$20,880.00 LS	$20,880.00
	SWPPP - Install & Maintain	1 EA	$13,920.00 LS	$13,920.00
	Chain-link Fence, Man-gate & 20' Slide-gate	1 EA	$254,190.00 LS	$254,190.00
	Protective Pipe Bollards	1 EA	$5,568.00 LS	$5,568.00
	Flag Pole	1 EA	$6,500.00 LS	$6,500.00
	Testing	1 EA	$5,415.00 LS	$5,415.00
	Surveyor	1 EA	$6,060.00 LS	$6,060.00
	Supervision	1 EA	$59,786.00 LS	$59,786.00
	Temporary Facilities	1 EA	$2,900.00 LS	$2,900.00
	Insurance	1 EA	$52,950.00 LS	$52,950.00
	Bonds	1 EA	$22,040.00 LS	$22,040.00
			SUBTOTAL:	$1,480,684.00

COST SUMMARY

SITE WORK:	**$667,810.00**
UTILITES:	**$465,220.00**
FIRE SERVICE IMPROVEMENTS:	**$594,590.00**
MISCELLANEOUS:	**$1,480,684.00**
TOTAL ESTIMATED COST (Without Contingencies):	**$3,208,304.00**
10% CONTINGENCY:	**$320,830.40**
5% INSPECTION FEE:	**$160,415.20**
TOTAL ESTIMATED PHASE 1 CONSTRUCTION COSTS:	**$3,689,549.60**

NOW, THEREFORE, COUNTY and CITY do hereby mutually agree as follows:

I. PURPOSE OF THE MOU

On October 4, 2022, the COUNTY Board of Supervisors approved funding in the form of reimbursement of $2,599,234 for a capital project as requested by the South San Joaquin County Fire Authority.

Per the guidance, issued by the U.S. Department of the Treasury, for the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) Final Rule, SLFRF funds may be used for permissible capital investments. Under the section, Capital Expenditures in General Provisions: other and eligible uses include the acquisition of equipment for COVID-19 prevention and treatment, including ventilators, ambulances, and other medical and emergency services; acquisition of emergency response equipment; and support for operations and maintenance of existing equipment and facilities.

The purpose of this MOU is to memorialize the use of funding to be provided to the CITY pursuant to COUNTY Board Order B-22-695 approved on October 4, 2022 for the Project described in the Recital above.

II. ORDER OF PRECEDENCE

Each of the items listed below is incorporated into this MOU by reference. In the event of any inconsistency in this MOU, the inconsistency shall be resolved by giving precedence in the following order:

1. Applicable Federal and State of California statutes and regulations.

2. This MOU and its Exhibits:

Exhibit 1: San Joaquin County Board Order B-22-695
Exhibit 2: City of Tracy Request for Funds
Exhibit 3: W-9/Employer ID #: 94-6000442
Exhibit 4: EXHIBIT Z – ADDITIONAL FEDERAL GRANT CLAUSES

III. SCOPE OF SERVICES

CITY agrees to provide support and other services to the San Joaquin County community and shall utilize the COUNTY funding described herein for the Project described in the Recitals above.

CITY shall perform its services and work in accordance with currently approved methods and standards of practice in the CITY'S professional specialty.

IV. GENERAL PROVISIONS

A. Term of Agreement:

This Agreement shall commence on the date of execution through the 31st day of December 2026, unless said work is completed on a date prior thereto or unless terminated earlier as provided herein or extended upon mutual agreement.

B. Interpretation:

This MOU shall not be interpreted in favor of any Party by virtue of said Party not having prepared this MOU.

If any time period provided for in this MOU ends on a day other than a Business Day, the time period shall be extended to the next Business Day.

C. Compensation:

1. COUNTY agrees to pay the CITY, on a reimbursement basis, the sum of **TWO MILLION FIVE HUNDRED NINETY-NINE THOUSAND, TWO HUNDRED THIRTY-FOUR DOLLARS** ($2,599,234).

   a. Copies of all supporting documents for the Project (including, but not limited to, contractor/concessionaire quotes, agreements, invoices, and purchase receipts) shall be submitted by CITY to COUNTY no later than December 31, 2026, via email to ARPAfunds@sjgov.org.

   b. Any funds committed to CITY pursuant to this MOU that are not used for the approved Project by December 31, 2026 shall be returned to COUNTY no later than December 31, 2026.

2. COUNTY can monitor the CITY's performance periodically throughout the term of this MOU, including reconciliation of payments to actual cost, to ensure that the Project is achieving satisfactory performance in relation to the objectives stated in the Request for Funds.

3. CITY agrees to maintain all program, fiscal, statistical, and management records and make such records available for inspection by COUNTY representatives upon request as described below. The records to be kept and maintained in connection with this MOU shall include any and all costs associated with the Project. Failure to promptly comply with any COUNTY request for records and/or inspection pursuant to this Section IV shall constitute a breach of this MOU.

4. CITY agrees to maintain all records pertaining to service delivery and fiscal and administrative controls for a minimum of seven (7) years after final payment has been made or until all pending County, State, and Federal audits are completed, whichever is later.

   Upon request, the CITY shall make these records available to COUNTY, by way of all authorized County personnel, within three (3) working days of the request for such records.

5. CITY shall account for all of the expenditures paid by the COUNTY under this MOU and agrees that CITY financial records shall contain itemized records of all costs related to this MOU. The CITY agrees to follow Generally Accepted Accounting Principles (GAAP) to support COUNTY paid expenditures.

6. Total payments under this MOU shall not exceed TWO MILLION FIVE HUNDRED NINETY-NINE THOUSAND, TWO HUNDRED THIRTY-FOUR DOLLARS ($2,599,234) for the term of this MOU, as set forth in Section IV (A), above.

D. Invoicing:

CITY shall submit invoice(s) to the County of San Joaquin, County Administrator, via email to ARPAfunds@sjgov.org. All invoices must reference MOU ID # CAO-22-695 and the service(s) performed.

E. Indemnification:

CITY shall, at its expense, defend, indemnify, and hold harmless the COUNTY and its employees, officers, directors, contractors, and agents from and against any losses, liabilities, damages, penalties, costs, fees, including without limitation reasonable attorneys' fees and expenses from any claim or action, including, without limitation for bodily injury or death, arising from or pertaining to the subject matter of this MOU.

CITY shall hold the COUNTY, its officers, and employees, harmless from liability, of any nature or kind on account of the use of any copyrighted or un-copyrighted composition, secret process, patented or un-patented invention articles, or appliance furnished or used under this Agreement.

F. Insurance:

CITY shall obtain and maintain continuously in effect at all times during the term of this Agreement, at CITY's sole expense, general liability insurance protecting COUNTY, its officers, employees, and agents against liability which may accrue against COUNTY by reason of CITY's use of funds pursuant to this MOU. Such insurance must be in the amount of not less than One Million Dollars ($1,000,000) combined single limits coverage for personal injury, death, or property damage, and shall name the COUNTY and its agents as coinsured thereunder. In addition, the policy shall provide for a thirty (30) day notice to the COUNTY prior to cancellation or material change of the insurance policy. CITY shall promptly supply the COUNTY with a certificate of insurance evidencing compliance with the above requirements.

CITY's employees, contractors, and agents shall be fully and adequately covered by CITY's Worker's Compensation Insurance, as required by law, and shall submit to the COUNTY a certificate of insurance evidencing compliance with such insurance requirements upon execution of this agreement. CITY shall not commence or continue operations on the Premises without the required Worker's Compensation Insurance being in force.

G. Notices:

Any notice required to be given pursuant to the terms and conditions hereof shall be in writing, and shall be effected by one of the following methods: personal delivery, prepaid Certified First-Class Mail, or prepaid Priority Mail with delivery confirmation. Unless otherwise designated in writing by either party, such notice shall be mailed to the addresses shown on page one (1) of this MOU.

H. Termination:

1. ***Termination for Cause*:** If the CITY breaches or habitually neglects its duties under this MOU without curing such breach or neglect upon fifteen (15) working days written notice, the COUNTY may, by written notice, immediately terminate this MOU without

prejudice to any other remedy to which the COUNTY may be entitled, either at law, in equity, or under this MOU.

I. Conflict of Interest Statement:

CITY covenants that the CITY, its officers, employees, or their immediate family presently has no interest, including, but not limited to, other projects or independent contracts, and shall not acquire any such interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this MOU. CITY further covenants that in the performance of this MOU, no person having any such interest shall be employed or retained by the CITY under this MOU. CITY shall not hire COUNTY's employees to perform any portion of the work or services provided for herein, including secretarial, clerical, and similar incidental services, except upon the written approval of the COUNTY. Performance of services under this MOU by associates or employees of the CITY shall not relieve the CITY from any responsibility under this MOU.

J. Force Majeure:

It is agreed that neither party shall be responsible for delays in delivery, acceptance of delivery, or failure to perform when such delay or failure is attributable to Acts of God, war, strikes, riots, lockouts, accidents, rules, or regulations of any governmental agencies or other matters or conditions beyond the control of either the CITY or the COUNTY.

K. Compliance:

CITY shall comply with all Federal, State, and local laws, regulations, and requirements necessary for the provision of work and services. Furthermore, the CITY shall comply with all laws applicable to wages and hours of employment, occupational safety, fire safety, health, and sanitation, including, but not limited to, payment of prevailing wage pursuant to California law. CITY shall maintain current throughout the life of this MOU, all permits, licenses, certificates, and insurances that are necessary for the provision of contracted services.

L. Disputes and Remedies:

1. At the COUNTY's sole discretion, COUNTY may elect to raise a dispute, claim, or breach by submitting it, in writing, to CITY. Such dispute, claim, or breach would include conditions and time constraints required of CITY to remedy.

2. Neither the pendency of a dispute, claim, or breach nor its consideration will excuse the parties from full and timely performance in accordance with terms of this MOU.

3. Any legal action or proceeding with respect to this MOU shall be brought in the courts of the State of California for the County of San Joaquin or the courts of the United States of America for the Eastern District of California, and in no other courts. CITY hereby accepts such jurisdiction and venue and generally and unconditionally waives any objection, including, without limitation, any objection to the laying of venue or based on the grounds of forum non-convenient. The provision of this paragraph shall survive the expiration or other termination of this MOU regardless of the cause of such termination.

4. In any action brought by a party to enforce the terms of this MOU, the prevailing party shall be entitled to reasonable attorney's fees and costs, including the reasonable value of any services provided by in-house counsel. The reasonable value of services provided by either party's counsel shall be capped at the hourly rate charged by Deputy County Counsel IV attorneys in the office of the County Counsel of San Joaquin County, California.

M. Entire MOU and Modification:

1. This MOU and all documents incorporated by reference herein supersede all previous agreements between the Parties hereto, either oral or written, and constitute the entire understanding of the Parties with respect to the subject matter described herein. No changes, amendments, or alterations shall be effective unless in writing and signed by both Parties.

2. If any term of the MOU is found to be illegal, invalid, or unenforceable under applicable law, such term shall be excluded to the extent of such illegality, invalidity, or unenforceability; all other terms of this MOU shall remain in full force and effect; and, to the extent permitted and possible, the illegal, invalid, or unenforceable term shall be replaced by a term that is legal, valid, and enforceable and that comes closest to expressing the intention of such illegal, invalid, or unenforceable term.

IN WITNESS WHEREOF, COUNTY and CITY have executed this MOU effective on the day and year first written above.

City of Tracy
333 Civic Center Plaza
Tracy, CA 95376

By: _____
Midori Lichtwardt
City Manager

Date: _____

COUNTY OF SAN JOAQUIN, a
political subdivision of
the State of California

By: _____
Sandra Regalo
Interim County Administrator

Date: _____

APPROVED AS TO FORM
Office of County Counsel

By: _____
Jonathan King
Deputy County Counsel

EXHBIT Z – ADDITIONAL FEDERAL GRANT CLAUSES

APPENDIX II TO PART 200: CONTRACT PROVISIONS FOR NON-FEDERAL ENTITY CONTRACTS UNDER FEDERAL AWARDS

Please review and check the appropriate boxes to determine the applicability of provisions to the federally funded contract or purchase order. In the event of any contradictions or inconsistencies between these provisions and the provisions of the Agreement itself, the terms of this Exhibit Z shall control.

☐ §200.216 PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT

(a) Recipients and subrecipients are prohibited from obligating or expending loan or grant funds to:

(1) Procure or obtain;

(2) Extend or renew a contract to procure or obtain; or

(3) Enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115-232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

(i) For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).

(ii) Telecommunications or video surveillance services provided by such entities or using such equipment.

(iii) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

(b) In implementing the prohibition under Public Law 115-232, section 889, subsection (f), paragraph (1), heads of executive agencies administering loan, grant, or subsidy programs shall prioritize available funding and technical support to assist affected businesses, institutions and organizations as is reasonably necessary for those affected entities to transition from covered communications equipment and services, to procure replacement equipment and services, and to ensure that communications service to users and customers is sustained.

☐ DEBARMENT AND SUSPENSION – Executive Orders 12549 and 12689 (All)

a. This contract is a covered transaction for purposes of 2 C.F.R. pt. 180.22 and 2 C.F.R. pt. 3000. As such the Contractor is required to verify that none of the Contractor, its principals (defined at 2 C.F.R. § 180.995), or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).
b. The Contractor must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.
c. This certification is a material representation of fact relied upon by San Joaquin County. If it is later determined that the Contractor did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to the primary recipient and San Joaquin County, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.
d. The Bidder agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The Bidder further agrees to include a provision requiring such compliance in its lower tier covered transactions.

☐ §200.322 DOMESTIC PREFERENCES FOR PROCUREMENTS

(a) As appropriate and to the extent consistent with law, the non-Federal entity should, to the greatest extent practicable under a Federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subawards including all contracts and purchase orders for work or products under this award.

(b) For purposes of this section:

(1) "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.

(2) "Manufactured products" means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

☐ §200.323 PROCUREMENT OF RECOVERED MATERIALS (All)

a. In the performance of this contract, the Contractor shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired
    1. Competitively within a timeframe providing for compliance with the contract performance schedule;
    2. Meeting contract performance requirements; or
    3. At a reasonable price.

b. Information about this requirement, along with the list of EPA- designated items, is available at EPA's Comprehensive Procurement Guidelines web site, https://www.epa.gov/smm/comprehensive- procurement-guideline-cpg-program.
c. The Contractor also agrees to comply with all other applicable requirements of Section 6002 of the Solid Waste Disposal Act."

☐ **The contract is funded through a FEMA grant or cooperative agreement. If checked, Provisions 1 through 5 apply.**

1. Access to Records. **(All)**
   a. The Contractor agrees to provide the San Joaquin County, the primary recipient of the federal funding, if any, the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts, and transcriptions.
   b. The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.
   c. The Contractor agrees to provide the FEMA Administrator or his authorized representatives' access to construction or other work sites pertaining to the work being completed under the contract.

2. DHS Seal, Logo, and Flags. **(All)**
   The Contractor shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval.

3. Compliance with Federal Law, Regulations, and Executive Orders. **(All)**
   This is an acknowledgement that FEMA financial assistance will be used to fund the contract only. The Contractor will comply will all applicable federal law, regulations, executive orders, FEMA policies, procedures, and directives.

4. No Obligation by the Federal Government. **(All)**
   The Federal Government is not a party to this contract and is not subject to any obligations or liabilities to the non-Federal entity, Contractor, or any other party pertaining to any matter resulting from the contract.

5. Fraud and False or Fraudulent Statements or Related Acts. **(All)**
   The Contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the Contractor's actions pertaining to this contract.

☐ **EQUAL EMPLOYMENT OPPORTUNITY (Construction Work > $2,000))**

a. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for

training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

b. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, or national origin.
c. The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the Contractor's commitments under this Provision, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
d. The Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
e. The Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
f. In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions as may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
g. The Contractor will include the portion of the sentence immediately preceding paragraph (a) and the provisions of paragraphs (a) through (g) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance, provided, however, that in the event a Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

☐ **DAVIS-BACON ACT. 40 U.S.C. 3141-3148 (Construction Contracts > $2,000)**

a. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
b. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, or national origin.
c. The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the Contractor's commitments under this Provision, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

d. The Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
e. The Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
f. In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions as may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
g. The Contractor will include the portion of the sentence immediately preceding paragraph (a) and the provisions of paragraphs (a) through (g) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance, provided, however, that in the event a Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

☐ **COPELAND "ANTI-KICKBACK" ACT. (Construction Contracts > $2,000)**

a. Contractor. The Contractor shall comply with 18 U.S.C. § 874, 40 U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3 as may be applicable, which are incorporated by reference into this contract.
b. Subcontracts. The Contractor or subcontractor shall insert in any subcontracts the clause above and such other clauses as the Federal Emergency Management Agency ("FEMA") may by appropriate instructions require, and a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses.
c. Breach. A breach of the contract clauses above may be grounds for termination of the contract, and for debarment as a contractor and subcontractor as provided in 29 C.F.R. § 5.12.

☐ **TERMINATION FOR CAUSE AND CONVENIENCE. (Contracts > $10,000)**

a. Termination for cause. The County reserves the right to cancel this contract if goods or services are not delivered as directed within the time specified. In case of default by Contractor, the County may procure the articles or services from other sources and may deduct from any monies due, or that may thereafter become due to the Contractor, the difference between the price named in the Bid and actual cost thereof to the County shall be considered the prevailing market price at the time such purchase is made. Periods of performance may be extended if the facts as to the cause of delay justify such extension in the opinion of the Purchasing Agent.
b. Termination for convenience. At any time, with or without cause, the County shall have the right, in its sole discretion, to terminate this contract by giving written notice to Contractor.

There shall be no period of grace after giving the notice of termination. Termination shall become effective immediately upon the giving of notice by personal delivery or mail. The County shall pay Contractor as full compensation for performance up to the date of such termination: (1) the unit or pro rata bid price for the delivered and accepted portion of goods or work completed up to the point of termination; and (2) a reasonable amount, not otherwise recoverable from other sources by Contractor as approved by the County, with respect to the undelivered or unaccepted portion of this contract; provided compensation hereunder shall in no event exceed the total Bid price.

☐ **BYRD ANTI-LOBBYING AMENDMENT – 31 U.S.C. 1352**
(Contract > $100,000) – ATTACHMENT A

- Contractors who apply or bid for an award of $100,000 or more shall file the required certification, provided in Attachment A. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient.

☐ **CONTRACT WORK HOURS AND SAFETY STANDARDS ACT – 40 U.S.C. 3701-3708**
(Contract > $100,000)

a. Overtime requirements. No Contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-halftimes the basic rate of pay for all hours worked in excess of forty hours in such workweek.
b. Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (a) of this Provision, the Contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such Contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (a) of this Provision, in the sum of $10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (a) of this Provision.
c. Withholding for unpaid wages and liquidated damages. San Joaquin County shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the Contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work

Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such Contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (b) of this Provision.

d. Subcontracts. The Contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (a) through (d) of this Provision and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (a) through (d) of this Provision.

☐ **CLEAN AIR ACT, FEDERAL WATER POLLUTION CONTROL ACT AND REMEDIES (Contract > $150,000)**

a. The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401, et seq.
b. The Contractor agrees to report each violation to San Joaquin County and understands and agrees that San Joaquin County will, in turn, report each violation as required to assure notification to the primary recipient, FEMA, and the appropriate Environmental Protection Agency Regional Office.
c. The Contractor agrees to include these requirements in each subcontract exceeding $100,000 financed in whole or in part with Federal assistance provided by FEMA.
d. In the event the Contractor breaches any part of the contract, the County may procure the articles or services from other sources and the Contractor must compensate the County for the difference between the price named in the Bid and actual cost thereof to the County shall be considered the prevailing market price at the time such procurement is made. Such payment may be deducted from any monies due, or that may thereafter become due to the Contractor. The exercise by the County of this remedy does not preclude the exercise of any other rights or remedies that may now or subsequently be available at law, in equity, by statute, in any other agreement between the parties or otherwise.

Signature

THE UNDERSIGNED HEREBY CERTIFIES THAT THE RESPONSES PROVIDED ARE CORRECT AND TRUTHFUL TO THE BEST OF MY KNOWLEDGE AND FOR THOSE RESPONSES GIVEN WHICH ARE BASED ON INFORMATION AND BELIEF, THOSE RESPONSES ARE TRUE AND CORRECT BASED ON MY PRESENT BELIEF AND INFORMATION.

Dated this _____ day of _____ of the year _____

Name of organization: _____

Signature: _____

Printed Name and title: _____

ATTACHMENT "A"

Byrd Anti-Lobbying Amendment

APPENDIX A, 44 C.F.R. PART 18- CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements
(To be submitted with each bid or offer exceeding $100,000)

The undersigned Contractor certifies, to the best of his or her knowledge, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an 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.
2. 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, the undersigned shall complete and submit Standard Form- LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language 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.

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 31, U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). 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.

The Contractor, _____, certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. § 3801, *et seq.,* apply to this certification and disclosure, if any.

Name and Title of Contractor's Authorized Official

_____

Signature of Contractor's Authorized Official

_____ Date _____

SAN JOAQUIN COUNTY
NON PROFIT
REQUEST FOR FUNDING

BOARD ORDER #: B-22-695 **AGENDA DATE: 10/4/2022**

Recipient Organization Name: City of Tracy - South San Joaquin Fire Training Facility Project

Recipient Address: 333 Civic Center Plaza, Tracy, CA 95376

Contact Name: Koosun Kim	**Phone#: (209) 831-6400**	**Email: Koosun.Kim@cityoftracy.org**
Project Repairs Projected Start Date: April 4, 2024		
Project Repairs Projected Completion Date:	**December 31, 2026**	
TOTAL AMOUNT REQUESTED: $2,599,234	**TOTAL AMOUNT APPROVED: $2,599,234**	

Project Name: City of Tracy - South San Joaquin Fire Training Facility Project

PROJECT DESCRIPTION
Construction of expanded Phase 1 Fire Training Facility

The South San Joaquin County Fire Authority (SSJCFA) is Joint Powers Authority that was originally formed in 1999 by consolidating the Tracy Rural Fire Protection District and the City of Tracy Fire Departments. SSJCFA staffs seven fire stations with seven Advanced Life Support (ALS) engine companies and one ALS ladder truck company. SSJCFA staffs one of twelve State OES Type I Hazardous Materials Teams. SSJCFA has a uniformed staff of 86 personnel and a total staff of 100 personnel and responds to over 10,000 emergencies annually.

The need for Fire Training Facility was identified in the 2013 Citywide Public Safety Master Plan (CPSMP) for construction at the location of the Police Gun Range on South Tracy Boulevard, and was included in the Nexus Study for that location. Subsequent to the 2013 CPSMP adoption, the South San Joaquin County Fire Authority (SSJCFA) recommended an alternate location at the NEI Reservoir on Chrisman Road to be more suitable. On February 5, 2019, Council approved Resolution No. 2019-

The approved budget for the construction of expanded Phase 1 Fire Training Facility is now approximately $3.7 million as shown in the attached table. The County agrees to contribute $2,599,234 towards the Project, on a reimbursement basis. Project details include:

- Paving of 1.75 of the 5.13 acre site.
- Electrical, water and storm drain infrastructure.
- Installation of 2 fire hydrants.
- Fencing around the 5.13 acre site that includes an electric vehicle access gate.
- Purchase and installation of a 2880 square foot prefabricated classroom facility. The classroom facility includes 2 restrooms, 40 person classroom, 3 offices, reception area, kitchenette, and an EMS clinical area.
- Erection of a pre-fabricated three story fire training tower that was purchased through an Assistance to Firefighter Grant through FEMA.

Itemized Repair Costs must accompany request for reimbursement.

	Current Fund Request	**Approved Amount**
TOTAL	**$0.00**	**$0.00**

Date Paid: _____

Account # _____

Deposit of Funds must be completed with 48 hours of pickup of check.

Recipient Signature: ***Midori Lichtwardt***
Title: City Manager
Date: _____
Submitted W9: _____

Request for Funds Approved By: San Joaquin County Board of Supervisors
Title: ADOPTED UNANIMOUS - Board Order 22-695
Date: 10/4/22

Attachments: Board Letter 5/2/2023 and UOP's Manor Hall Renovation Budget

Fund #: 20250 AMERICAN RESCUE PLAN ACT FUND
Amount Funded: $2,599,234
Funding Available from 4/4/24 through 12/31/26

** Any unused funds used for the approved project will be returned to San Joaquin County.*

** All invoices, supporting payment/purchases, fees and other items associated with the project will be supplied to the San Joaquin County Administrator's Office for reconciliation.*

** Depending on how funds are distributed (one payment - multiple payments etc.) will dictate when and how often supporting documents will be required and how often reconciliation will be performed.*

ATTACHMENT E

November 20, 2023

Sandra Regalo, Chief Deputy County Administrator
San Joaquin County
44 North San Joaquin Street
Sixth Floor, Suite 640
Stockton, CA 95202

Dear Ms. Regalo,

On October 4, 2023, the San Joaquin County Board of Supervisors approved the second tranche of the Coronavirus State and Local Fiscal Recovery Funds allocations through the American Rescue Plan Act. As part of the allocation, the South San Joaquin County Fire Authority (SSJCFA) was awarded $2,599,234 for the completion of phase two of our training facility. To date, CEQA, Geotech studies and construction drawings have been completed and we are in the beginning stages of putting the bid package together. As part of our Phase 1 and Phase 2 of the fire training facility development process, the City of Tracy agreed to allocate a 5.13 acre site, create a city CIP and manage the overall project. Our goal is to have the bid package complete and gain final City Council approval on January 16, 2024 with a project completion date of December 2024 or January 2025.

Because the City of Tracy is the lead agency on the project, I am requesting that San Joaquin County accept invoice reimbursement requests and provide reimbursements directly to the City of Tracy for the $2,599,234 allocation. Providing reimbursement directly to the City of Tracy will streamline the accounting process and provide for greater transparency.

Thank you in advance for considering this important request and thank you for your continued support of this significant project.

Sincerely,

Randall Bradley
Fire Chief

Cc: Karin Schnaider, Assistant City Manager, City of Tracy
Sara Cowell, Director of Finance, City of Tracy

***** FIRE TRAINING FACILITY at NEI RESERVOIR - PHASE 1*****

***PRELIMINARY CONSTRUCTION COST ESTIMATE ***

AS OF OCTOBER 20,2023

SCHACK & COMPANY, INC.
1025 Central Avenue
Tracy, California 95376

Job No: 22.054
Estimate Date: October 20, 2023
Estimated By: Staff

	ITEM DESCRIPTION	QUANTITY	UNIT COST	ITEM TOTAL
A	**SITE WORK:**			
	Earthworks	1 EA	$196,075.00 LS	$196,075.00
	Concrete Prep to Subgrade	1 EA	$56,680.00 LS	$56,680.00
	Paving	1 EA	$348,145.00 LS	$348,145.00
	Concrete - Site Only	1 EA	$57,860.00 LS	$57,860.00
	Signage & Striping	1 EA	$9,050.00 LS	$9,050.00
			SUBTOTAL:	$667,810.00
B	**UTILITES:**			
	Wet Utilities	1 EA	$152,650.00 LS	$152,650.00
	Domestic Water & Irrigation	1 EA	$37,570.00 LS	$37,570.00
	Electrical - PG&E & Transformer Pad	1 EA	$275,000.00 LS	$275,000.00
			SUBTOTAL:	$465,220.00
C	**FIRE SERVICE IMPROVEMENTS:**			
	Fire Systems	1 EA	$235,970.00 LS	$235,970.00
	Training Tower Foundation	1 EA	$64,805.00 LS	$64,805.00
	Tower Apparatus Erection & Assembly	1 EA	$272,935.00 LS	$272,935.00
	Tower Apparatus Additional Steel Members	1 EA	$20,880.00 LS	$20,880.00
			SUBTOTAL:	$594,590.00
D	**MISCELLANEOUS:**			
	Modular Building & Foundation	1 EA	$1,000,000.00 LS	$1,000,000.00
	Traffic Control	1 EA	$30,475.00 LS	$30,475.00
	SWPPP - NOI	1 EA	$20,880.00 LS	$20,880.00
	SWPPP - Install & Maintain	1 EA	$13,920.00 LS	$13,920.00
	Chain-link Fence, Man-gate & 20' Slide-gate	1 EA	$254,190.00 LS	$254,190.00
	Protective Pipe Bollards	1 EA	$5,568.00 LS	$5,568.00
	Flag Pole	1 EA	$6,500.00 LS	$6,500.00
	Testing	1 EA	$5,415.00 LS	$5,415.00
	Surveyor	1 EA	$6,060.00 LS	$6,060.00
	Supervision	1 EA	$59,786.00 LS	$59,786.00
	Temporary Facilities	1 EA	$2,900.00 LS	$2,900.00
	Insurance	1 EA	$52,950.00 LS	$52,950.00
	Bonds	1 EA	$22,040.00 LS	$22,040.00
			SUBTOTAL:	$1,480,684.00

COST SUMMARY

SITE WORK:	**$667,810.00**
UTILITES:	**$465,220.00**
FIRE SERVICE IMPROVEMENTS:	**$594,590.00**
MISCELLANEOUS:	**$1,480,684.00**
TOTAL ESTIMATED COST (Without Contingencies):	**$3,208,304.00**
10% CONTINGENCY:	**$320,830.40**
5% INSPECTION FEE:	**$160,415.20**
TOTAL ESTIMATED PHASE 1 CONSTRUCTION COSTS:	**$3,689,549.60**

Date Published: 10/20/2023

REQUEST
The South San Joaquin County Fire Authority (SSJCFA) is requesting county, state and federal funding of $2,599,235 for Phase 2 for the South County Fire Training Center.

SOUTH SAN JOAQUIN COUNTY FIRE AUTHORITY
The South San Joaquin County Fire Authority (SSJCFA) is Joint Powers Authority that was originally formed in 1999 by consolidating the Tracy Rural Fire Protection District and the City of Tracy Fire Departments. With a population of over 120,000 residents, SSJCFA is a full-service fire agency providing all risk response to the largest fire service response area in the county covering 170 square miles of urban, suburban, and rural areas. SSJCFA staffs seven fire stations with seven Advanced Life Support (ALS) engine companies and one ALS ladder truck company. SSJCFA staffs one of twelve State OES Type I Hazardous Materials Teams. SSJCFA has a uniformed staff of 86 personnel and a total staff of 100 personnel and responds to over 10,000 emergencies annually.

PROJECT OVERVIEW
SSJCFA jurisdictional responsibilities includes significant county, state and federal infrastructure that requires specialized training. Due to the unique fire protection challenges in providing emergency response capabilities to diverse and expansive county, state and federal infrastructure, the SSJCFA is requesting county, state and federal funding. SSJCFA is one of the largest fire agencies in California that does not have a training facility within or near their jurisdictional boundaries.

The City of Tracy and the Tracy Rural Fire Protection District have provided funding for Phase 1 of the training facility. Phase 1 included site selection and dedication, the erection of a grant funded training tower, utilities, asphalt and site improvements for parking and drainage. The Phase 1 estimated cost is $1,000,000 and is currently out-for-bid with an expected completion date of August 2022.

Phase 2 of the project will include a classroom, restrooms, shower facilities and extension of the paved training area. The engineers estimate for the second phase of the project is $2,599,235. Funding is being requested for Phase 2 of the project.

The site was designed to accommodate Phase 3 of the project based on the future public safety training needs of the community. Phase 3 could include an emergency operations center, additional classrooms, drafting pit, rescue and fire props and emergency vehicle operator's course.

PROJECT JUSTIFICATION
The SSJCFA is one of the largest fire agencies in California that does not have access to a fire training facility within or near its jurisdictional boundaries. Currently, fire agencies in the south county are required to utilize Stockton (20 miles), Modesto (25 miles) or Livermore-

Pleasanton (28 miles) fire training facilities. To utilize these facilities, SSJCFA must place apparatus and personnel out-of-service which reduces service area coverage and increases response times within the jurisdictional boundaries.

A need for a public safety training facility was identified in the City of Tracy's 2015 Public Safety Facility Master Plan.

Regional Public Safety Training
It is anticipated that the following regional public safety and educational entities will utilize the training facility:

- **Delta College** – EMT and Fire Science Classes
- **Tracy Unified School District** – Fire Service Classes
- **Defense Logistics Agency Fire Department** – Firefighter Training
- **Mountain House Fire Department –** Firefighter Training
- **Cal Fire**-Firefighter Training, regional meetings
- **Tracy Police Department** – Law Enforcement classroom and SWAT tactical training
- **San Joaquin County Emergency Management** – meetings and classroom training
- **California Highway Patrol** – Classroom training and meetings

Anticipated Utilization
The following is the anticipated use of the training facility. This includes the use by Tracy Unified School District, Delta College and local, state and federal public safety agencies.

- Classroom/drill ground training for 12-14 firefighters and 1-3 instructors 4-5 times weekly;
- Fire training academy for 6-12 cadets with 1-8 instructors of 18-week academy annually;
- Delta College class – 20 students, 1 instructor 3 hours weekly;
- Fire Officer classes – 20 students, 1 instructor 4 hours weekly
- Public safety and emergency management meetings – 20 participants, 2 hours monthly

County/State and Federal Infrastructure and Commerce
The SSJCFA is comprised of a unique jurisdictional area with significant regional and state infrastructure within its boundaries. It is essential that an effective firefighting force remain available to protect lives, property and critical infrastructure. This critical infrastructure includes the following regional transportation corridors, regional waterways, regional pipelines and national commerce supply chain facilities:

- 63 miles of State Highway infrastructure that connect the central valley to the Bay Area and Southern California. Interstate 5, Interstate 205, Interstate 580, State Route 132, State Route 33 and the Byron Highway (J4). These transportation routes have significant importance to regional, state and national supply chains and support of the commuter workforce to the Bay Area. These routes also involve the movement of significant hazardous materials. SSJCFA responds to numerous emergencies on these roadways that involve major vehicle accidents, hazardous material emergencies, vehicle fires and wildland fires that impact the movement of traffic.

- 54 miles of waterways that include the Delta Mendota Canal, California Aqueduct, San Joaquin River and its tributaries (Tom Paine Slough and Old River). The waterways that traverse SSJCFA's jurisdictional boundaries provide agricultural, commercial and residential water supply for a significant portion of California. SSJCFA responds to numerous emergencies on the waterways which include floods, recreational accidents, fires and rescues.

- 40 miles of railways that move freight and passengers through SSJCFA jurisdictional boundaries. These transportation routes have significant importance to regional, state and national supply chains and support of the commuter workforce to the Bay Area. SSJCFA responds to numerous emergencies on these railways which include derailments, vehicle accidents, hazardous material emergencies, fires and wildland fires that require the temporary shutdown of railways.

- An estimated 50 miles of natural gas pipelines traverse the SSJCFA's jurisdictional boundaries. The 48" high pressure natural gas line provides natural gas to a large portion of the central valley. The petroleum gas lines connect refineries to crude oil wells and finished petroleum products to distribution centers. While emergencies involving pipelines are rare, they have the potential of creating a significant hazardous materials emergency that involves life safety and impacts to the environment.

- The Tracy area has rapidly become one of the largest logistics centers in the country. The proximity to the Bay Area, the availability of land and easy access to major transportation routes has resulted in a large influx of warehousing and fulfillment centers. Buildout of the current intitled occupancies will exceed 50 million square feet. Many of the buildings have automated systems that include robotics and computerized movement of goods. One building exceeds 4 million square feet and will have over 6,000 robots. SSJCFA responds to emergencies in these facilities on a daily basis. A significant fire or hazardous materials emergency in one of these facilities could impact international commerce and critical international supply chains. An additional 30,000,000 sq. ft. of logistic warehousing is currently in the planning stages.

PROJECT (PHASE 2) SPECIFICATIOINS/ESTIMATES

Grading	$90,000
Concrete Pad (35,340 sq ft)	$756,250
Classroom (1400 Sq ft Modular)	$500,000
Restrooms (2 Unit Modular)	$200,000
Shower Facility (4 Shower Modular)	$90,000
Asphalt (Parking)	$156,326
Sub Total	$1792,576
Design (10%)	$179,257
Contingency (20 %)	$358,515
Construction Administration (15%)	$268,886
TOTAL ESTIMATE	**$2,599,235**

In the early design phase of the project the intent was to construct the training tower on a site which was expandable, retaining the concept of development of a larger regional training facility. The proposed project site is located on a 15-acre portion of a 105-acre parcel which is owned by the City of Tracy. Currently, the project site is vacant land used for agricultural. Adjacent land uses include predominantly light manufacturing to the north, agricultural to the east and south with the City of Tracy to the west of the project site, on the other side Chrisman Road.

In addition to the development of the primary structures, the project will include associated on and off-site improvements including site preparation and grading, utility connections, new landscaping, installation of storm water management features and bio-retention areas, surface paving, and parking areas.

The South County Fire Training Center buildings will be setback from the public right-of-way to reduce the scale and massing of the proposed classroom buildings. Materials on the primary buildings will include modern pre-finished metal roof panels, vertical metal siding panels, painted aluminum fascia trims, and a significant amount of clear glazing.

The South County Fire Training Center will be used for training simulation purposes and designed to mimic actual residential, commercial, institutional, and transportation structures to the greatest extent feasible in an effort to create real-world emergency scenarios.

In 2015, it was also identified that a key objective would be to develop a training center facility layout that could accommodate multiple group's use of the facility simultaneously. This project was broken into three phases of construction. Phase 1 of the facility has been designed, funded and is currently out-to-bid for a general contractor.

APPROVED AS TO FORM AND LEGALITY

_____
CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. _____

---

1) **DESIGNATING 5.13 ACRES OF CITY-OWNED PROPERTY ON CHRISMAN ROAD AND 11TH STREET (APN 250-030-07), AS THE SITE FOR THE FIRE TRAINING FACILITY, CAPITAL IMPROVEMENT PROJECT (PROJECT);**
2) **AUTHORIZING THE CITY MANAGER TO ENTER INTO A MEMORANDUM OF UNDERSTANDING FOR THE AWARD OF FUNDING $2,599,234 OF AMERICAN RESCUE PLAN ACT FUNDS FOR PHASE 1 OF PROJECT COSTS; AND**
3) **APPROPRIATING THE GRANT FUNDS TO THE PROJECT**

WHEREAS, On January 21, 2022, and January 28, 2022, the Project was advertised for competitive bids; and

WHEREAS, On February 22, 2022, bids were received. At the time the Project was advertised, it was anticipated that the Citywide Fire Public Safety Master Plan (CFPSMP) Update and the associated Nexus Study that includes the Chrisman Road project site would be presented for adoption by Council early in 2022, providing the required California Environmental Quality Act (CEQA), clearance for the Project; and

WHEREAS, The adoption of all the infrastructure master plans was delayed, rendering the Project without CEQA clearance; and

WHEREAS, On August 16, 2022, the City rejected all bids that were received so that the City could process a project-specific and site-specific CEQA document and clearance; and

WHEREAS, On October 4, 2022, the County approved funding in the amount of $2,599,234 of American Rescue Plan Act (ARPA) funds for a portion of the Project costs, as was requested by the South San Joaquin County Fire Authority (SSJCFA) and the total committed funds increased to approximately $3.6 million; and

WHEREAS, In January 2023, the City began collaborating with SSJCFA and Shack and Company (contracted by SSJCFA) to expand the scope of the Fire Training Facility to expand the footprint from the original 2 acres to 5.13 acres to include the addition of a classroom, parking area, and other features; and

WHEREAS, On November 20, 2023, the SSJCFA designated the City as the lead agency on the project; and

WHEREAS, On October 17, 2023, the Project specific environmental analysis and clearance was completed at the end of the public comment period; and

WHEREAS, A key objective was to develop a site plan that was expandable to accommodate additional fire training amenities and facilities that would meet the future needs of the SSJCFA and the region; and

WHEREAS, The Project will be constructed in two phases and Phase 1 is anticipated to include a training tower, an office and classroom building, a parking lot, a storage building, a radio tower, a storm retention basin, an automated security gate with chain-link perimeter fencing, and a training field; and

WHEREAS, The funding identified in the project is a combination of contributions from Tracy Rural Fire District, the City's Capital Fund, Fire Public Safety Master Plan fees, and San Joaquin County for a grant from American Rescue Plan Act; and

WHEREAS, Phase 2 of the Project is not a part of this action; and

WHEREAS, Staff is seeking authorization from the City Council to execute a Memorandum of Understanding (MOU) with the County for the grant award of $2,599,234 of ARPA funds for a portion of the Project costs and designate the 5.13-acre portion of the 56.62-acre City owned property south of Brichetto Road, and east of Chrisman Road, on a portion of Assessor's Parcel Number 250-030-07, to be used for the SSJCFA Training Facility; and

WHEREAS, The purpose of the proposed MOU is to memorialize the use of funding to be provided to the City pursuant to County Board Order B-22-695 approved on October 4, 2022 for the Project Phase 1 as described above; and, now therefore, be it

RESOLVED: That the City Council of the City of Tracy hereby accepts the $2,599,234 grant award from the County ARPA Grant and authorizes the execution of the MOU; and be it further

RESOLVED: That the City Council appropriates the funds to CIP 71109; and be it further

RESOLVED: That the City Council designates the 5.13-acre portion of the 56.62-acre City-owned property at Chrisman Road and 11th Street (APN 250-03-007) as the site of the Project.

* * * * * * * * * * * * * * * * * *

The foregoing Resolution 2024-_____ was adopted by the Tracy City Council on May 21, 2024, 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 2024-_____

ADOPTING AN INITIAL STUDY/NEGATIVE DECLARATION, IN ACCORDANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, FOR THE TRACY FIRE TRAINING FACILITY PROJECT, LOCATED SOUTH OF BRICHETTO ROAD, AND EAST OF CHRISMAN ROAD, ON A PORTION OF ASSESSOR'S PARCEL NUMBER 250-030-07 CAPITAL IMPROVEMENT PROJECT 71109

WHEREAS, the Tracy Fire Training Facility is an approved Capital Improvement Project (CIP) 71109 (Project); and

WHEREAS, the Project was originally planned for construction at the location of the Police Gun Range on South Tracy Boulevard, with California Environmental Quality Act (CEQA) clearance to be completed as part of the 2013 Citywide Public Safety Master Plan (CPSMP) and the associated Nexus Study; and

WHEREAS, after the 2013 CPSMP adoption, the South San Joaquin County Fire Authority (SSJCFA) recommended that an alternate location on Chrisman Road at NEI Reservoir would be more suitable than the Police Gun Range location originally identified in the adopted 2013 CPSMP and Nexus Study; and

WHEREAS, on February 5, 2019, the City Council approved Resolution No. 2019-013 creating CIP 71109, for the Tracy Fire Training Facility to be located at the City owned NEI Reservoir property located on Chrisman Road; and

WHEREAS, on January 21, 2022, and January 28, 2022, the Project was advertised for competitive bids and on February 22, 2022, bids were received and publicly opened at 2:00 p.m.; and

WHEREAS, at the time the Project was advertised, it was anticipated that the CPSMP Update and the associated Nexus Study that includes the Chrisman Road project site would be presented for adoption by the City Council early in 2022, providing the required CEQA clearance for the Project; however, the adoption of all the infrastructure master plans was delayed, rendering the Project without CEQA clearance; and

WHEREAS, on August 16, 2022, the City rejected all bids that were received so that the City could process a project-specific and site-specific CEQA document and clearance; and

WHEREAS, the City is the lead agency for CEQA review of the Project, and in March 2023, the environmental consultant De Novo Planning Group, Inc. (Consultant) prepared an Initial Study/Negative Declaration (IS/ND) for the Project; and

WHEREAS, the City has evaluated potential environmental effects of the Project through the preparation and circulation of a proposed IS/ND(State Clearinghouse No. 2023090350) and consideration of all comments and responses as attached hereto as part of Exhibit 1, and incorporated herein by this reference. This process included the following actions:

1. The 30-day review period for the proposed IS/ND was initiated on September 15, 2023, with the submittal of the proposed IS/ND to the State Clearinghouse for public review and distribution to responsible parties, trustees, and public agencies with jurisdiction over the resources affected by the Project. The Notice of Intent (NOI) to adopt the IS/ND was filed with the San Joaquin County Clerk on or about September 15, 2023. On September 15, 2023, the NOI was published in the Tracy Press newspaper prior to beginning the 30-day review period. Copies of the environmental documents were available for review at the City of Tracy Development Services Department, as well as on the City's website: https://www.cityoftracy.org/government/city-reports.

2. Two comment letters on the proposed IS/ND were received by the City before the end of the 30-day public review period on October 16, 2023, and no modifications to the IS/ND were deemed necessary; and

WHEREAS, all actions required to be taken by applicable law related to the preparation, circulation, and review of the proposed IS/ND have been taken; and

WHEREAS, no new significant information, as defined by CEQA Guidelines Section 15073.5, was received by the City after circulation of the draft IS/ND such that recirculation is required, and the information contained in the final IS/ND supports the draft Initial Study/Negative Declaration's analysis and conclusions; and

WHEREAS, the IS/ND determined that the proposed Project will not have significant impacts on the environment; and

WHEREAS, CEQA requires that the lead agency, in this case the City, consider the proposed Negative Declaration, together with any comments received during the public review process; and

WHEREAS, staff recommends that the City Council adopt the Negative Declaration, as the appropriate environmental document; and

WHEREAS, staff further recommends that the City Council authorize the City Manager to file a Notice of Determination with the San Joaquin County Clerk after execution, and together, this will complete the environmental document process for the Project, in compliance with CEQA; and now, therefore be it

RESOLVED: That the City Council of the City of Tracy hereby incorporates, as findings, the recitals set forth above as if restated herein in their entirety; and be it

FURTHER RESOLVED: That the City Council is making its decision to adopt the Initial Study/Negative Declaration for this Project in light of the record as a whole as set forth in these findings; and be it

FURTHER RESOLVED: That the City Council, in adopting the Initial Study/Negative Declaration for this Project, of which the findings set forth in this Resolution are a part, did so through the exercise of their independent judgment and review after finding substantial evidence, in light of the record as a whole, to support the adoption of the Initial Study/Negative Declaration; and be it

FURTHER RESOLVED: That the City Council has made its decision to adopt the Initial Study/Negative Declaration in the light of all the testimony and evidence presented at or prior to the close of the public hearing, including letters, reports, comments, analyses, etc., which the City Council after review and comment by its staff, critically reviewed, corrected, and augmented where necessary, as set forth in the record and procedural findings on this Project; and be it

FURTHER RESOLVED: That the City Council finds that this Project should not have a potentially significant effect on the environment, based upon the criteria of the Guidelines of the State Secretary for Resources, Sections 15064 (Determining Significant Effect), 15065 (Mandatory Findings of Significance), and 15070 (Decision to prepare a Initial Study/Negative Declaration), and the reasons as documented in the Initial Study/Negative Declaration for the Project, attached hereto; and be it

FURTHER RESOLVED: That the City Council finds that in the independent judgment of the City Council, there is no substantial evidence that the Project could have a significant effect on the environment; and be it

FURTHER RESOLVED: That based on the findings set forth in this Resolution, and on the record of the public hearing, the City Council hereby approves the Initial Study/Negative Declaration for the Project, as presented to Council and set forth in the staff report and certifies that the Initial Study/Negative Declaration is an adequate and complete document prepared in compliance with the California Environmental Quality Act, as amended, and the State and Local Guidelines promulgated there under; and be it

FURTHER RESOLVED: That the City Council hereby adopts the Initial Study/Negative Declaration and incorporated herein by this reference, for the Project; and be it

FURTHER RESOLVED: That the City Council hereby authorizes and directs the City Manager to file a Notice of Determination within five (5) working days after approval of this Resolution.

* * * * * * * * * * * * * * *

The foregoing Resolution 2024-_____ was adopted by the Tracy City Council on the 21st of May 2024 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

ATTACHMENTS:

Exhibit 1: Initial Study/Negative Declaration

EXHIBIT 1

INITIAL STUDY

FOR THE

TRACY FIRE TRAINING FACILITY, CIP 71109 PROJECT

SEPTEMBER 2023

Prepared for:

City of Tracy
Development Services Department
Engineering Division
333 Civic Center Plaza
Tracy, CA 95376

Prepared by:

De Novo Planning Group
1020 Suncast Lane, Suite 106
El Dorado Hills, CA 95762

De Novo Planning Group

A Land Use Planning, Design, and Environmental Firm

INITIAL STUDY

FOR THE

TRACY FIRE TRAINING FACILITY, CIP 71109 PROJECT PROJECT

SEPTEMBER 2023

Prepared for:

City of Tracy
Development Services Department
Engineering Division
333 Civic Center Plaza
Tracy, CA 95376

Prepared by:

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1020 Suncast Lane, Suite 106
El Dorado Hills, CA 95762

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INITIAL STUDY CHECKLIST

PROJECT TITLE

Tracy Fire Training Facility, CIP 71109

LEAD AGENCY NAME AND ADDRESS

City of Tracy
Development Services - Engineering
333 Civic Center Plaza
Tracy, CA 95376

CONTACT PERSON AND PHONE NUMBER

D'Evelyn Spekner, Associate Engineer
City of Tracy
Development Services - Engineering
333 Civic Center Plaza
Tracy, CA 95376
develyn.spekner@cityoftracy.org
209-831-6453

PROJECT SPONSOR'S NAME AND ADDRESS

Schack & Company, Inc.
1025 Central Avenue
Tracy, California 95376

PURPOSE OF THE INITIAL STUDY

An Initial Study (IS) is a preliminary analysis which is prepared to determine the relative environmental impacts associated with a proposed project. It is designed as a measuring mechanism to determine if a project will have a significant adverse effect on the environment, thereby triggering the need to prepare an Environmental Impact Report (EIR). It also functions as an evidentiary document containing information which supports conclusions that the project will not have a significant environmental impact or that the impacts can be mitigated to a "Less Than Significant" or "No Impact" level. If there is no substantial evidence, in light of the whole record before the agency, that the project may have a significant effect on the environment, the lead agency shall prepare a Negative Declaration (ND). If the IS identifies potentially significant effects, but: (1) revisions in the project plans or proposals would avoid the effects or mitigate the effects to a point where clearly no significant effects would occur, and (2) there is no substantial evidence, in light of the whole record before the agency, that the project as revised may have a significant effect on the environment, then a Mitigated Negative Declaration (MND) shall be prepared.

This IS has been prepared consistent with California Environmental Quality Act (CEQA) Guidelines Section 15063, to determine if the proposed Tracy Fire Training Facility, CIP 71109 (Project) may have a significant effect upon the environment. Based upon the findings and mitigation measures contained within this report, a Negative Declaration will be prepared.

PROJECT LOCATION AND SETTING

The Project site consists of approximately 5.9 acres and is located in the northeastern portion of the City of Tracy, just south of Brichetto Road and east of the existing City of Tracy Northeast Industrial Area (NEI) Reservoir. The Project site is located on the south side of Brichetto Road, and approximately 0.09 miles east of N. Chrisman Road. The Project site encompasses a portion of Assessor Parcel Number (APN) 250-030-07. The Project's regional location is shown in Figure 1, and the Project vicinity is shown in Figure 2.

The Project site is currently used for agricultural operations. Trees are located along a portion of the western perimeter of the Project site. Lands to the north and west consist primarily of commercial uses. Lands to the south and east consist primarily of agricultural uses, with scattered residential also present to the south and east. The Project site is bounded by Brichetto Road to the north. A UPRR railroad track parallels the northern boundary of the Project site, just north of Brichetto Road.

PROJECT DESCRIPTION

The Project would include construction of a fire training facility to meet the future fire training needs of the South San Joaquin County Fire Authority (SJCFA). The Project preliminary site plan is shown on Figure 3. The proposed Project is anticipated to include an office and classroom building, a storage building, a training tower, a parking lot containing approximately 40 parking spaces, a radio tower, and a prop training field. Fire suppression tactics and other firefighter training practices are anticipated to occur within the prop training field. In addition, an isolated rail car prop for training purposes would be located in the northern portion of the Project site. Chain-link fencing would surround the perimeter of the Project site. The Project site would be accessible from an access road that would connect to N. Chrisman Road, which would be located adjacent to the southern boundary of the Tracy NEI Reservoir. A storm retention basin containing approximately 109,500 cubic feet of volume would be located in the northeast portion of the Project site. Overall, the Project proposes the following improvements, anticipated to be developed over three phases of construction:

- Phase 1:
  - Develop a site plan and identify land for fire training facility site;
  - Develop one acre of designated site (grading, asphalt, concrete pad, equipment foundation, and drainage);
  - Install site utilities (water and one fire hydrant);
  - Install fencing;
  - Erect training tower.
- Phase 2:
  - Develop additional acres of identified site (including conducting grading, pouring asphalt, and setting up concrete pad);
  - Erect pre-manufactured office and classroom building (classroom, two offices, clinical space, kitchenette, and restrooms);
  - Install additional site utilities (electrical).
- Phase 3:
  - Develop remaining acres of the identified site (including conducting grading, pouring asphalt, and setting up concrete pad);
  - Erect second classroom (optional);

- Install rail car props;
- Install drafting pit (i.e., trench);
- Install above-grade and below-grade rescue props;
- Install storage facility (large apparatus and equipment storage facility);
- Erect radio tower
- Connect Project site to city wastewater and storm water systems (optional).

The funding for Phase 1 would be provided by the Tracy Rural Fire District and the City of Tracy. The funding for Phase 2 has been allocated to South San Joaquin Fire Authority through San Joaquin County as part of the American Recovery Plan Act (ARPA) program. The funding for Phase 3 is anticipated to be funded through future grants and Public Safety Facility Master Plan Impact Fees.

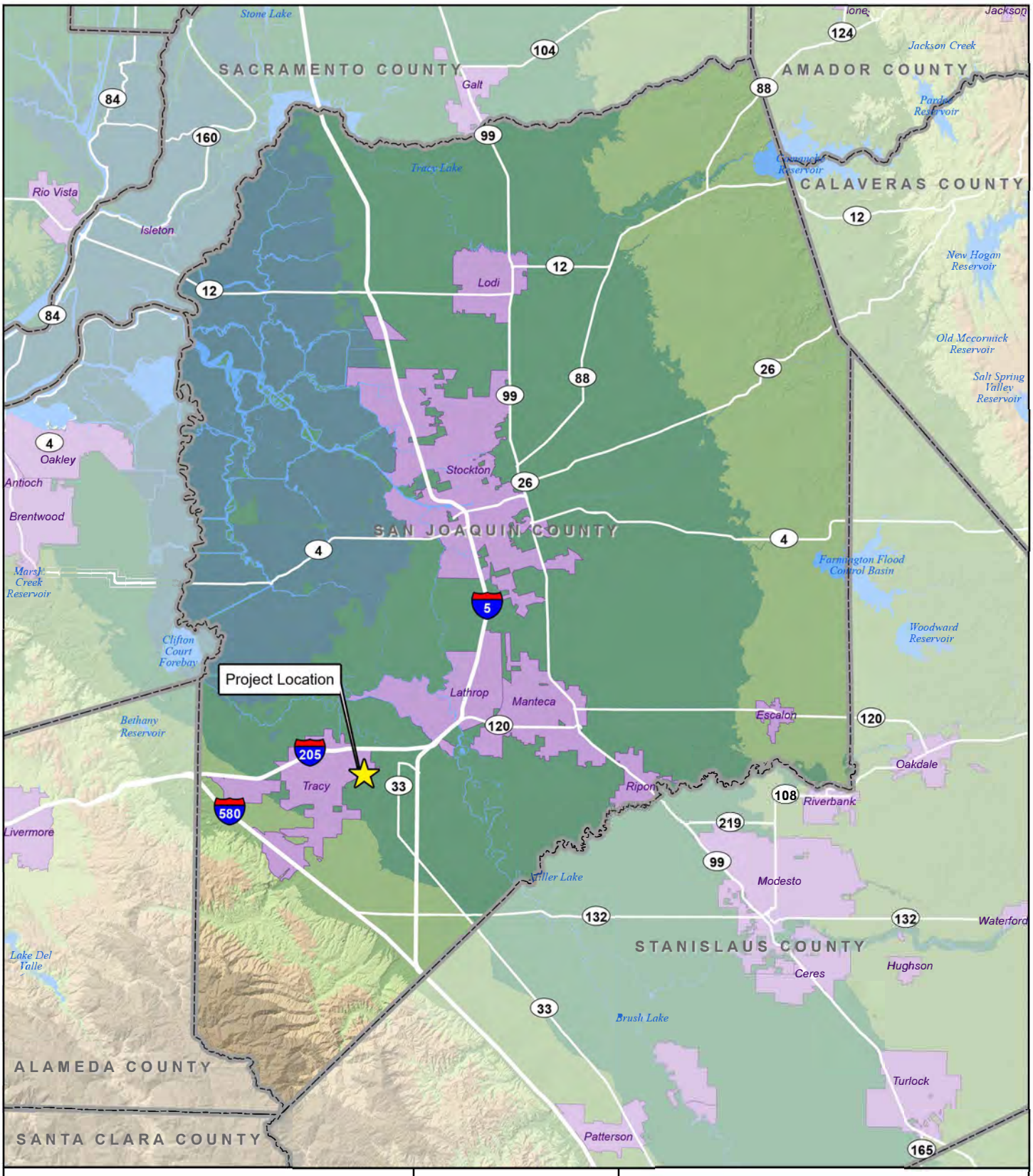
REQUESTED ENTITLEMENTS AND OTHER APPROVALS

The City of Tracy is the Lead Agency for the proposed Project, pursuant to the State Guidelines for Implementation of CEQA, Section 15050.

This document will be used by the City of Tracy to take the following actions:

- Adoption of the ND.

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LEGEND

- Incorporated Area
- County Boundary

N

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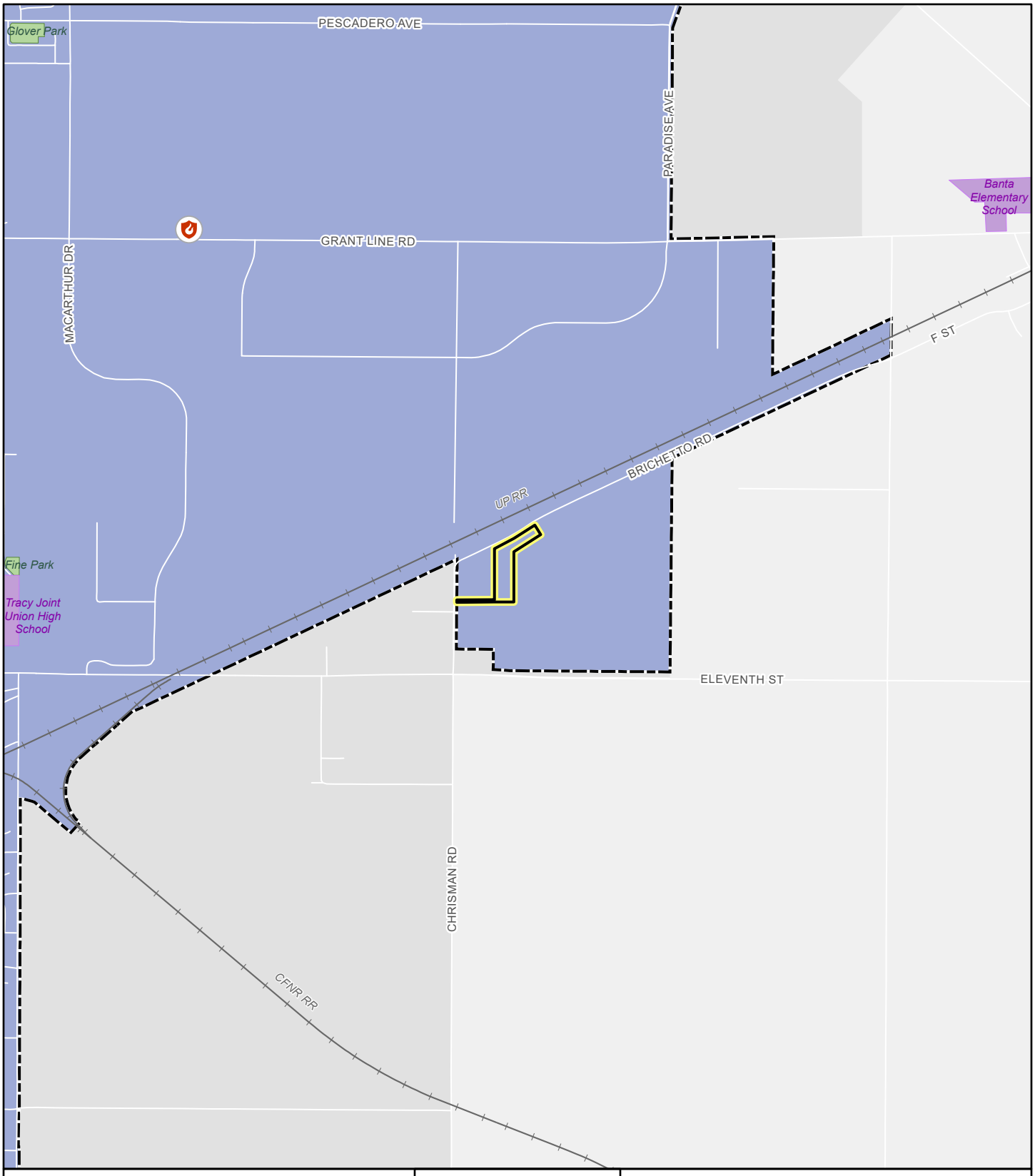
Sources: San Joaquin County GIS. Map date: March 14, 2023.

CITY OF TRACY
Tracy Fire Training Facility, CIP 71109

Figure 1. Regional Location Map

De Novo Planning Group

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LEGEND

- Project Site
- Tracy City Limits
- Tracy SOI
- Schools
- Parks
- Tracy Fire Station #92

N

0 500 1,000

US Feet

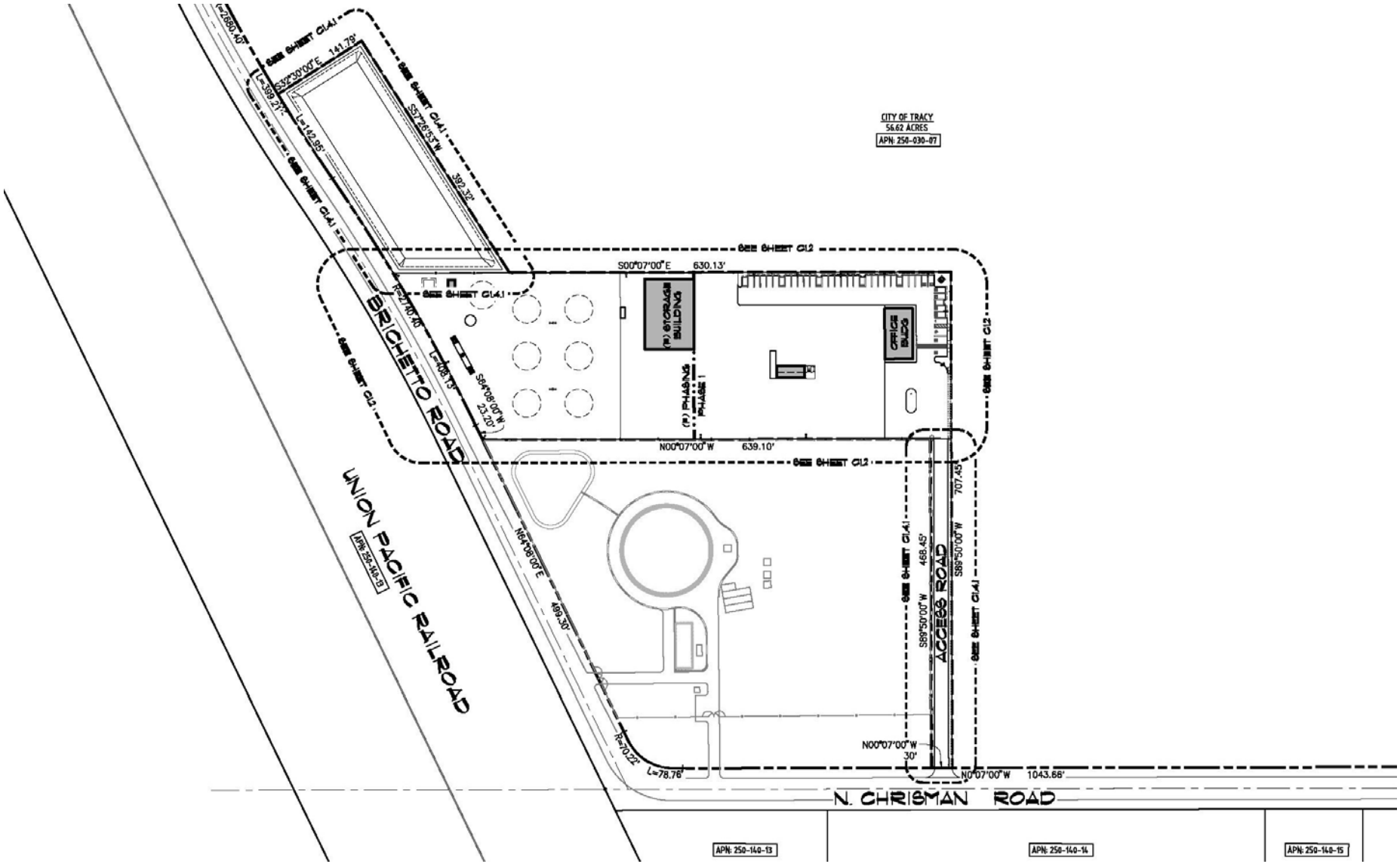
Sources: San Joaquin County GIS. Map date: September 5, 2023.

CITY OF TRACY
Tracy Fire Training Facility, CIP 71109

Figure 2. Project Vicinity

De Novo Planning Group
A Land Use Planning, Design, and Environmental Firm

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CITY OF TRACY
Tracy Fire Training Facility, CIP 71109

Figure 3. Site Plan

N

Sources: San Joaquin County GIS. Map date: September 5, 2023.

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A Land Use Planning, Design, and Environmental Firm

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ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED

The environmental factors checked below would be potentially affected by this Project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages.

	Aesthetics		Agriculture and Forestry Resources		Air Quality
	Biological Resources		Cultural Resources		Energy
	Geology/Soils		Greenhouse Gases		Hazards and Hazardous Materials
	Hydrology/Water Quality		Land Use/Planning		Mineral Resources
	Noise		Population/Housing		Public Services
	Recreation		Transportation		Tribal Cultural Resources
	Utilities/Service Systems		Wildfire		Mandatory Findings of Significance

DETERMINATION

On the basis of this initial evaluation:

X	I find that the proposed Project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
	I find that although the proposed Project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the Project have been made by or agreed to by the Project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.
	I find that the proposed Project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
	I find that the proposed Project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
	I find that although the proposed Project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed Project, nothing further is required.

Signature

9/12/2023
Date

EVALUATION OF ENVIRONMENTAL IMPACTS

In each area of potential impact listed in this section, there are one or more questions which assess the degree of potential environmental effect. A response is provided to each question using one of the four impact evaluation criteria described below. A discussion of the response is also included.

- Potentially Significant Impact. This response is appropriate when there is substantial evidence that an effect is significant. If there are one or more "Potentially Significant Impact" entries, upon completion of the Initial Study, an EIR is required.

- Less than Significant With Mitigation Incorporated. This response applies when the incorporation of mitigation measures has reduced an effect from "Potentially Significant Impact" to a "Less Than Significant Impact". The Lead Agency must describe the mitigation measures and briefly explain how they reduce the effect to a less than significant level.

- Less than Significant Impact. A less than significant impact is one which is deemed to have little or no adverse effect on the environment. Mitigation measures are, therefore, not necessary, although they may be recommended to further reduce a minor impact.

- No Impact. These issues were either identified as having no impact on the environment, or they are not relevant to the Project.

ENVIRONMENTAL CHECKLIST

This section of the Initial Study incorporates the most current Appendix "G" Environmental Checklist Form contained in the CEQA Guidelines. Impact questions and responses are included in both tabular and narrative formats for each of the 21 environmental topic areas.

I. AESTHETICS

Except as provided in Public Resources Code Section 21099, would the project:	***Potentially Significant Impact***	***Less Than Significant with Mitigation Incorporation***	***Less Than Significant Impact***	***No Impact***
a) Have a substantial adverse effect on a scenic vista?			X	
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?				X
c) In non-urbanized areas, substantially degrade the existing visual character or quality of public views of the site and its surroundings? (Public views are those that are experienced from publicly accessible vantage point). If the project is in an urbanized area, would the project conflict with the applicable zoning and other regulations governing scenic quality?			X	
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?			X	

Responses to Checklist Questions

Response a) Less than Significant. The City of Tracy is an urbanized area located within the southern section of San Joaquin County. There are no scenic vistas located on or adjacent to the Project site. The proposed Project is considered an infill project, and the proposed uses on the site are consistent and compatible with the surrounding land uses.

The Project site is not topographically elevated from the surrounding lands and is not highly visible from areas beyond the immediate vicinity of the site. There are no prominent features on the site, such as trees, rock outcroppings, or other visually distinctive features that contribute to the scenic quality of the site. The Project site is not designated as a scenic vista by the City of Tracy General Plan. Implementation of the proposed Project would not significantly change the existing visual character of the Project area, as much of the areas immediately adjacent to the site are used for residential and commercial purposes.

Implementation of the proposed Project would introduce paved parking development to the Project area and would be generally consistent with the surrounding residential and commercial development. Therefore, this impact is considered **less than significant**.

Response b) No Impact. As described in the Tracy General Plan EIR, there are two Officially Dedicated California Scenic Highway segments in the Tracy Planning Area, which extend a total length of 16 miles. The first designated scenic highway is the portion of I-580 between I-205 and

I-5, which offers views of the Coast Range to the west and the Central Valley's urban and agricultural lands to the east. The second scenic highway is the portion of I-5 that starts at I-205 and continues south to Stanislaus County, which allows for views of the surrounding agricultural lands and the Delta-Mendota Canal and California Aqueduct. The Project site is not visible from any of the above-referenced scenic highways. Development of the proposed Project would not result in the removal of any trees, rock outcroppings, or buildings of historical significance, and would not result in changes to any of the viewsheds from the designated scenic highways in the vicinity of the City of Tracy. There is **no impact.**

Response c) Less than Significant. As described under Response a) the proposed Project would be visually compatible with the surrounding land uses and would not significantly degrade the existing visual quality of the site or the surrounding area. Additionally, the Project is subject to the City of Tracy's development and design review criteria, which would ensure that the parking area landscaping, streetscape improvements and exterior lighting improvements are compatible with the surrounding land uses. This is a **less than significant impact.**

Response d) Less than Significant. Daytime glare can occur when the sunlight strikes reflective surfaces such as windows, vehicle windshields and shiny reflective building materials. The proposed Project would not introduce new residential structures. Reflective building materials are not proposed for use in the Project, and as such, the Project would not result in increases in daytime glare.

The Project site contains no existing lighting. There is a potential for the proposed Project to create new sources of light and glare. Examples of lighting would include construction lighting, landscape, and parking lighting. However, nighttime construction activities are not anticipated to be required as part of on-site construction. Operational light sources from street lighting may be required to provide for safe travel. However, as provided in the Project site plan, exterior lighting mounted on buildings or in the parking area would be directed away from adjoining properties. Separately, glare would be generated by building windows associated with the proposed Project. However, based on the location of the Project site (i.e., away from high-traffic roadways and other potential sensitive receptors), glare generated by the Project would affect relatively small numbers of motorists and sensitive receptors.

The City of Tracy Standard Plan #154 establishes minimum requirements for light illumination. Exterior lighting on new Projects is also regulated by the Tracy Municipal Code, Off-Street Parking Requirements, Section 10.08.3530(h). The City addresses light and glare issues on a case-by-case basis during project approval and typically adds requirements as a condition of project approval to shield and protect against light spillover from one property to the next. The proposed Project is subject to these regulations, which would ensure that this is a **less than significant impact.**

II. AGRICULTURE AND FORESTRY RESOURCES

Would the project:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?			X	
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?				X
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 1222(g)) or timberland (as defined in Public Resources Code section 4526)?				X
d) Result in the loss of forest land or conversion of forest land to non-forest use?				X
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?			X	

Responses to Checklist Questions

Response a) Less than Significant. The Project site is currently used for agricultural operations. The Project site is designated as Prime Farmland, as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency.

However, the proposed Project is identified for Public Facilities land uses in the Tracy General Plan, and the Project is consistent with the uses established by the General Plan. Development of the site for Public Facilities uses and the corresponding conversion of agricultural land associated with buildout of the Tracy General Plan, including the Project site, was taken into consideration in the City of Tracy General Plan and General Plan EIR. On February 1, 2011 the Tracy City Council adopted a Statement of Overriding Considerations (Resolution 2011-028) for the direct impacts to farmland resulting from adoption of the General Plan and the General Plan EIR (State Clearinghouse #: 1992122069).[1] As such, the proposed Project's potential impact relating to conversion of designated farmlands was adequately addressed in through the General Plan EIR process and implementation of the proposed Project would have a **less than significant** impact related to this environmental topic.

Response b) No Impact. The Project site is not under a Williamson Act Contract, nor are any of the parcels immediately adjacent to the Project site under a Williamson Act Contract. Therefore, implementation of the proposed Project would not conflict with a Williamson Act Contract. The Project site is currently zoned Community Shopping Center Zone (CS) by the City's Zoning Map.

[1] The General Plan EIR is available for inspection at the City of Tracy, Development Services - Planning, located at 333 Civic Center Plaza, Tracy, CA 95376

As such, the proposed Project would not conflict with any agricultural zoning or Williamson Act Contract. There is no impact.

Responses c) and d) No Impact. The Project site is located in an area predominantly consisting of commercial and residential development. There are no forest resources on the Project site or in the vicinity of the Project site. Therefore, there is **no impact**.

Response e) Less than Significant Impact. As described under Responses (a) and (b) above, the proposed Project is identified for Public Facilities land uses in the Tracy General Plan, and the Project is consistent with the uses established by the General Plan. Development of the site for Public Facilities uses and, as explained above, the corresponding conversion of agricultural land associated with buildout of the Tracy General Plan, including the Project site, was taken into consideration in the City of Tracy General Plan and General Plan EIR. Separately, the Project site does not contain forest resources. There is a **less than significant impact** related to this environmental topic.

III. AIR QUALITY

Would the project:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
a) Conflict with or obstruct implementation of the applicable air quality plan?			X	
b) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard?			X	
c) Expose sensitive receptors to substantial pollutant concentrations?			X	
d) Result in other emissions (such as those leading to odors) adversely affecting a substantial number of people?			X	

Existing Setting

The Project site is located within the San Joaquin Valley Air Pollution Control District (SJVAPCD). This agency is responsible for monitoring air pollution levels and ensuring compliance with federal and state air quality regulations within the San Joaquin Valley Air Basin (SJVAB) and has jurisdiction over most air quality matters within its borders.

The SJVAPCD has primary responsibility for compliance with both the federal and state standards and for ensuring that air quality conditions are maintained. They do this through a comprehensive program of planning, regulation, enforcement, technical innovation, and promotion of the understanding of air quality issues.

Activities of the SJVAPCD include the preparation of plans for the attainment of ambient air quality standards, adoption and enforcement of rules and regulations concerning sources of air pollution, issuance of permits for stationary sources of air pollution (i.e., Authority to Construct and Permit to Operate), inspection of stationary sources of air pollution and response to citizen complaints, monitoring of ambient air quality and meteorological conditions, and implementation of programs and regulations required by the Federal Clean Air Act and California Clean Air Act.

The SJVAPCD has prepared the *2007 Ozone Plan* to achieve Federal and State standards for improved air quality in the SJVAB regarding ozone. The *2007 Ozone Plan* provides a comprehensive list of regulatory and incentive-based measures to reduce emissions of ozone and particulate matter precursors throughout the SJVAB. The 2007 Ozone Plan calls for major advancements in pollution control technologies for mobile and stationary sources of air pollution. The *2007 Ozone Plan* calls for a 75-percent reduction in ozone-forming oxides of nitrogen emissions.

The SJVAPCD has also prepared the *2007 PM_{10} Maintenance Plan and Request for Redesignation* (2007 PM_{10} Plan). On April 24, 2006, the SJVAPCD submitted a Request for Determination of PM_{10} Attainment for the Basin to the California Air Resources Board (CARB). CARB concurred with the request and submitted the request to the U.S. EPA on May 8, 2006. On October 30, 2006, the EPA issued a Final Rule determining that the Basin had attained the National Ambient Air Quality Standards (NAAQS) for PM_{10}. However, the EPA noted that the Final Rule did not constitute a

redesignation to attainment until all of the Federal Clean Air Act requirements under Section 107(d)(3) were met.

The SJVAPCD has prepared the *2008 PM.2.5 Plan* to achieve Federal and State standards for improved air quality in the San Joaquin Valley Air Basin. The *2008 PM.2.5 Plan* provides a comprehensive list of regulatory and incentive-based measures to reduce PM2.5.

In addition to the *2007 Ozone Plan, the 2008 $PM_{2.5}$ Plan,* and the *2007 PM_{10} Plan*, the SJVAPCD prepared the *Guide for Assessing and Mitigating Air Quality Impacts* (GAMAQI). The GAMAQI is an advisory document that provides Lead Agencies, consultants, and Project applicants with analysis guidance and uniform procedures for addressing air quality impacts in environmental documents. Local jurisdictions are not required to utilize the methodology outlined therein. This document describes the criteria that SJVAPCD uses when reviewing and commenting on the adequacy of environmental documents. It recommends thresholds for determining whether or not projects would have significant adverse environmental impacts, identifies methodologies for predicting project emissions and impacts, and identifies measures that can be used to avoid or reduce air quality impacts. An update of the GAMAQI was approved on March 19, 2015, and is used as a guidance document for this analysis.

The GAMAQI notes that, for CEQA purposes, a sensitive receptor is generically defined as a location where human populations, especially children, seniors, and sick persons are found, and there is reasonable expectation of continuous human exposure according to the averaging period for the Ambient Air Quality Standards (e.g., 24-hour, 8- hour, 1-hour). These typically include residences, hospitals, and schools. Locations of sensitive receptors may or may not correspond with the location of the maximum off-site concentration.

Responses to Checklist Questions

Responses a)-b) Less than Significant. Air quality emissions would be generated during both the construction and operational phases of the proposed Project. Based on the on-site parking anticipated to be within the Project site (i.e., 40 spaces), the proposed Project could generate up to approximately 40 workers per day, which translates to up to approximately 80 operational vehicle trips per day (since each round trip is considered two trips). However, it should be noted that this is likely to be a large overestimate, since the Project is anticipated to be utilized on a part-time (rather than full-time) basis. Other sources of operational air quality emissions include the electricity that would be used to power on-site buildings and other features. Based on the size and nature of the proposed Project, and the limited number of vehicle trips that would be generated by the proposed Project, total air quality emissions generated by the proposed Project would be minimal. Further discussion of construction-related air quality impacts is provided below.

The SJVAPCD's approach to analysis of construction impacts is to require implementation of effective and comprehensive control measures, rather than to require detailed quantification of emission concentrations for modeling of direct impacts. PM_{10} emitted during construction can vary greatly depending on the level of activity, the specific operations taking place, the equipment being operated, local soils, weather conditions, and other factors, making quantification difficult. Despite this variability in emissions, experience has shown that there are several feasible control measures that can be reasonably implemented to significantly reduce PM_{10} emissions from construction activities. The SJVAPCD has determined that, on its own, compliance with Regulation VIII for all sites and implementation of all other control measures indicated in Tables 6-2 and 6-3 of the SJVAPCD's Guide for Assessing and Mitigating Air Quality Impacts (as

appropriate) would constitute sufficient mitigation to reduce construction PM_{10} impacts to a level considered less than significant.

Construction would result in numerous activities that would generate dust. The fine, silty soils in the Project area and often strong afternoon winds exacerbate the potential for dust, particularly in the summer months. Impacts would be localized and variable. Construction impacts would last for a period of a few weeks to a few months. The initial phase of Project construction would involve grading and site preparation activities, followed by paving and building construction. Construction activities that could generate dust and vehicle emissions are primarily related to grading, soil excavation, and other ground-preparation activities.

Control measures are required and enforced by the SJVAPCD under Regulation VIII. This Air District rule is required by law to be implemented, where applicable, and is enforced by the Air District, under the authority of the State of California Health and Safety Code, Sections 40001, 40702, 40752, and 40753, and by all officers and employees empowered by Sections 40120 and 41510 of the Health and Safety Code of the State of California, as described under the SJVAPCD's Rule 1040.

The SJVAPCD considers construction-related emissions from all Projects in this region to be mitigated to a less than significant level if SJVAPCD-recommended PM_{10} fugitive dust rules and equipment exhaust emissions controls are implemented. The proposed Project would be required to comply with all applicable measures from SJVAPCD Rule VIII. The Air District maintains the authority to inspect construction sites, at their discretion, for enforcement purposes.

It should also be noted that, as described in the latest version of the GAMAQI, the SJVAPCD considers projects that would not result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment, to also be considered to not conflict with or obstruct implementation of any applicable air quality plan.

Therefore, the proposed Project would have a ***less than significant*** impact related to the potential to conflict with or obstruct implementation of the applicable air quality plan, or to result in a cumulatively considerable net increase of any criteria pollutant for which the Project region is non-attainment under an applicable federal or state ambient air quality standard.

Response c): Less than Significant. Sensitive receptors are those parts of the population that can be severely impacted by air pollution. Sensitive receptors include children, the elderly, and the infirm. The closest sensitive receptor is a residence located 0.25 miles south of the Project site. The only new emissions that would be generated by the proposed Project would be the short-term, temporary emissions associated with site preparation, grading, paving, and building construction during the construction phase, and a minimal level of operational emissions associated with worker vehicle travel.

The construction phase of the Project would be temporary and short-term, and the implementation of all State, Federal, and SJVAPCD requirements would greatly reduce pollution concentrations generated during construction activities. The SJVAPCD considers construction-related emissions from all Projects in this region to be mitigated to a less than significant level if SJVAPCD-recommended PM_{10} fugitive dust rules and equipment exhaust emissions controls are implemented. As explained above, the proposed Project would be required to comply with all applicable measures from SJVAPCD Rule VIII, which are enforceable by the Air District. Therefore,

dust from construction of the proposed Project would be reduced and would be consistent with SJVAPCD guidance on this topic.

With implementation of the applicable SJVAPCD requirements and given the distance between the proposed Project and the nearest sensitive receptors, implementation of the proposed Project would not expose these sensitive receptors to substantial pollutant concentrations. The proposed Project would not generate significant concentrations of air emissions. Therefore, impacts to sensitive receptors would be negligible and this is a ***less than significant*** impact.

Response d) Less than Significant. The proposed Project would not generate objectionable odors that would adversely affect substantial numbers of people. People in the immediate vicinity of construction activities may be subject to temporary odors typically associated with construction activities (diesel exhaust, hot asphalt, etc.). However, any odors generated by construction activities would be short and temporary in duration. Additionally, as previously described under Response c), the proposed Project is not anticipated to notably increase operational air emissions on this community, since average daily traffic (ADT) would only increase minimally along the nearest roadways due to implementation of the proposed Project.

Examples of facilities that are known producers of operational odors include: Wastewater Treatment Facilities, Chemical Manufacturing, Sanitary Landfill, Fiberglass Manufacturing, Transfer Station, Painting/Coating Operations (e.g., auto body shops), Composting Facility, Food Processing Facility, Petroleum Refinery, Feed Lot/Dairy, Asphalt Batch Plant, and Rendering Plant. If a Project would locate receptors and known odor sources in proximity to each other further analysis may be warranted; however, if a Project would not locate receptors and known odor sources in proximity to each other, then further analysis is not warranted.

The Project does not include any of the aforementioned uses. Separately, while it is likely that the fire training activities would generate localized fire and smoke at times, which could generate smoke odors, the nearest sensitive receptors are located approximately 0.25 miles from the Project site, at which distance the odors will have dissipated and would not be noticeable to the sensitive receptors. Lastly, construction activities would be temporary and minor, and average daily traffic along the roadways nearest to the neighboring residential communities do not increase compared to the existing condition. As such, implementation of the proposed Project would have a ***less than significant*** impact relative to this topic.

IV. BIOLOGICAL RESOURCES

Would the project:	***Potentially Significant Impact***	***Less Than Significant with Mitigation Incorporation***	***Less Than Significant Impact***	***No Impact***
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?			X	
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or US Fish and Wildlife Service?				X
c) Have a substantial adverse effect on state or federally protected wetlands (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?				X
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?			X	
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?			X	
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?			X	

Existing Setting

The following analysis is based on information provided by the California Natural Diversity Data Base (CNDDB) record search conducted for the Project, information provided by City staff, as well as from satellite imagery of the Project site provided by Google Earth (2023).

Responses to Checklist Questions

Response a) Less than Significant. No special-status species are expected to be affected by the proposed Project, since the Project site has been previously disturbed and tilled. The proposed Project involves the construction of a fire training facility, within the northeastern portion of the City of Tracy, just south of Brichetto Road and east of the existing City of Tracy Northeast Industrial Area (NEI) Reservoir.

The Project site is currently used for agricultural operations. The California Natural Diversity Data Base (CNDDB) record search conducted for the Project did not identify any special status species observed within the Project site. Moreover, the Project site is not suitable to support any protected or special-status species. Therefore, this is a ***less than significant*** impact.

Response b) No Impact. There is no riparian habitat or other sensitive natural communities located on the Project site, according to the CNDDB record search conducted for the Project, as well as based on an analysis of satellite imagery of the Project site. As such, the proposed Project would have ***no impact*** on these resources, and no mitigation is required.

Response c) No Impact. A wetland is an area that is inundated or saturated by surface or ground water at a frequency and duration sufficient to support, and that under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions. Wetlands generally include swamps, marshes, bogs, and similar areas. Wetlands are defined by regulatory agencies as having special vegetation, soil, and hydrology characteristics. Hydrology, or water inundation, is a catalyst for the formation of wetlands. Frequent inundation and low oxygen causes chemical changes to the soil properties resulting in what is known as hydric soils. The prevalent vegetation in wetland communities consists of hydrophytic plants, which are adapted to areas that are frequently inundated with water. Hydrophytic plant species have the ability to grow, effectively compete, reproduce, and persist in low oxygen soil conditions.

Below is a list of wetlands that are found in the Tracy planning area:

- Farmed Wetlands: This category of wetlands includes areas that are currently in agricultural uses. This type of area occurs in the northern portion of the Tracy Planning Area.
- Lakes, Ponds and Open Water: This category of wetlands includes both natural and human-made water bodies such as that associated with working landscapes, municipal water facilities and canals, creeks and rivers.
- Seasonal Wetlands: This category of wetlands includes areas that typically fill with water during the wet winter months and then drain enough to become ideal plant habitats throughout the spring and summer. There are numerous seasonal wetlands throughout the Tracy Planning Area.
- Tidal Salt Ponds and Brackish Marsh: This category of wetlands includes areas affected by irregular tidal flooding with generally poor drainage and standing water. There are minimal occurrences along some of the larger river channels in the northern portion of the Tracy Planning Area.

There are no wetlands located on the Project site. The Project site is currently used for agricultural operations. Moreover, wetlands were not identified in the CNDDB record search conducted for the Project. Since there are no wetlands located within the Project site, and no wetlands would be impacted by the development of the Project, there is ***no impact,*** and no mitigation is required.

Response d) Less than Significant. The CNDDB record search did not reveal any documented wildlife corridors or wildlife nursery sites on or adjacent to the Project site. Furthermore, an analysis of satellite imagery of the Project site did not reveal any wildlife corridors or wildlife nursery sites on or adjacent to the Project site. Implementation of the proposed Project would have a ***less than significant***. No mitigation is necessary.

Responses e), f) Less than Significant. The proposed Project is classified as Urban Habitat under the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (SJMSCP). The City of Tracy and the Project applicant have consulted with San Joaquin Council of Governments (SJCOG) and SJCOG has agreed to allow coverage of the Project pursuant to the

SJMSCP. SJCOG staff has determined that the proposed Project is consistent with the SJMSCP and coverage under the plan has been obtained. Seperately, the Project would not conflict with any policies or ordinances protecting biological resources, since there are no trees or other biological resources within the Project site requiring protection. Therefore, this is a ***less than significant*** impact and no additional mitigation is required.

V. CULTURAL RESOURCES

Would the project:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
a) Cause a substantial adverse change in the significance of a historical resource pursuant to '15064.5?			X	
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to '15064.5?			X	
c) Disturb any human remains, including those interred outside of formal cemeteries?			X	

Responses to Checklist Questions

Responses a) - c): Less than Significant. A review of literature maintained by the Central California Information Center of the California Historical Resources Information System at California State University, Stanislaus revealed that no previously identified prehistoric period cultural resources are known within, or within a 0.25-mile radius of, the Project site. Additionally, there are no unique archeological resources known to occur on, or within the immediate vicinity of the Project site. Therefore, it is not anticipated that site grading and preparation activities would result in impacts to cultural, historical, archaeological resources. There are no known human remains located on the Project site, nor is there evidence to suggest that human remains may be present on the Project site.

Furthermore, the location of the Project site indicates that it and the surrounding area have been previously excavated. The Project site was formerly used for agricultural operations and is surrounded by existing or future urban development. No instances of cultural resources or human remains have been unearthed on the Project site, and site visits did not identify any historical, cultural, or archeological resources present on site. Therefore, it is not anticipated that site grading and preparation activities would result in impacts to cultural, historical, or archaeological resources. Overall, no cultural, historical, or archaeological resources are anticipated to be encountered during the Project's construction phase due to the disturbed nature of the site. Moreover, existing laws exist to protect cultural resources and human remains, such as Section 5097.98 of the State Public Resources Code and Section 7050.5 of California's Health and Safety Code, which require all work to be halted and the County coroner to be notified, if human remains are discovered. Therefore, Project implementation would have a ***less than significant*** impact relative to this topic.

VI. ENERGY

Would the project:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
a) Result in potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation?			X	
b) Conflict with or obstruct a state or local plan for renewable energy or energy efficiency?			X	

Responses to Checklist Questions

Responses a)-b) Less than Significant. Appendix F of the State CEQA Guidelines requires consideration of the potentially significant energy implications of a Project. CEQA requires mitigation measures to reduce "wasteful, inefficient and unnecessary" energy usage (Public Resources Code Section 21100, subdivision [b][3]). According to Appendix F of the CEQA Guidelines, the means to achieve the goal of conserving energy include decreasing overall energy consumption, decreasing reliance on natural gas and oil, and increasing reliance on renewable energy sources. In particular, the proposed Project would be considered "wasteful, inefficient, and unnecessary" if it were to violate state and federal energy standards and/or result in significant adverse impacts related to Project energy requirements, energy inefficiencies, energy intensiveness of materials, cause significant impacts on local and regional energy supplies or generate requirements for additional capacity, fail to comply with existing energy standards, otherwise result in significant adverse impacts on energy resources, or conflict or create an inconsistency with applicable plan, policy, or regulation.

The amount of energy used at the Project site would directly correlate to the energy consumption (including fuel) used by vehicle trips generated during Project construction, fuel used by off-road construction vehicles during construction, fuel used by vehicles during Project operation, and electricity usage during Project operation.

The proposed Project would comply with all existing energy standards, including those established by the City of Tracy and San Joaquin County. For example, buildings developed as part of the proposed Project would be required to comply with the latest version of the California Building Energy Efficiency Standards (Title 24), which require a high degree of energy efficiency for new buildings. Additionally, the Project would be required to comply with other statewide measures, including those intended to improve the energy efficiency of the statewide passenger and heavy-duty truck vehicle fleet (e.g., the Pavley Bill and the Low Carbon Fuel Standard), which improve vehicle fuel economies, thereby conserving gasoline and diesel fuel for any trips that would be generated by the Project. These energy savings would continue to accrue over time.

The proposed Project is a relatively small-scale fire training facility, with limited operational energy requirements, beyond the electricity required for the on-site buildings, and fuel used for vehicle travel to and from the project site (during project operation). For construction, the proposed Project would not require energy consumption that would out of the ordinary for a Project of its size and type. Therefore, the proposed Project would not violate any state or federal energy standards and/or result in significant adverse impacts related to Project energy requirements, energy efficiencies, energy intensiveness of materials, cause significant impacts on local and regional energy supplies or generate requirements for additional capacity, fail to comply with existing energy standards, otherwise result in significant adverse impacts on energy resources, or conflict or create an inconsistency with applicable plan, policy, or regulation.

Therefore, the proposed Project would not be expected cause an inefficient, wasteful, or unnecessary use of energy resources nor cause a significant impact on any of the threshold as described by Appendix G of the CEQA Guidelines. This is a **less than significant** impact.

VII. GEOLOGY AND SOILS

Would the project:	*Potentially Significant Impact*	*Less Than Significant with Mitigation*	*Less Than Significant Impact*	*No Impact*
a) Directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving:				
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.			X	
ii) Strong seismic ground shaking?			X	
iii) Seismic-related ground failure, including liquefaction?			X	
iv) Landslides?			X	
b) Result in substantial soil erosion or the loss of topsoil?			X	
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?			X	
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial direct or indirect risks to life or property?			X	
e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?			X	
f) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?				X

Responses to Checklist Questions

Responses a.i)-a.ii) Less than Significant. The Project site is located in an area of low to moderate seismicity. No known active faults cross the Project site, and the site is not located within an Alquist-Priolo Earthquake Fault Zone; however, relatively large earthquakes have historically occurred in the Bay Area and along the margins of the Central Valley. Many earthquakes of low magnitude occur every year in California. The nearest earthquake fault zoned as active by the State of California Geological Survey is the Black Butte fault, located approximately 6.5 miles southwest of the site.

The Tracy area has a low-to-moderate seismic history. The largest recorded measurable magnitude earthquake in Tracy measured 3.9 on the Richter scale. The greatest potential for significant ground shaking in Tracy is believed to be from maximum credible earthquakes occurring on the Calaveras, Hayward, San Andreas, or Greenville faults. Further seismic activity can be expected to continue along the western margin of the Central Valley, and as with all projects in the area, the Project will be designed to accommodate strong earthquake ground shaking, in compliance with the applicable California building code standards.

Other faults capable of producing ground shaking at the site include the San Joaquin fault, 7.3 miles southwest; the Midway fault, 8.2 miles southwest. Any one of these faults could generate an earthquake capable of causing strong ground shaking at the subject site. Earthquakes of Moment Magnitude (Mw) 7 and larger have historically occurred in the region and numerous small magnitude earthquakes occur every year.

Since there are no known active faults crossing the Project site and the site is not located within an Earthquake Fault Special Study Zone, the potential for ground rupture at the site is considered low.

An earthquake of moderate to high magnitude generated within the San Francisco Bay Region and along the margins of the central valley could cause considerable ground shaking at the site, similar to that which has occurred in the past. In order to minimize potential damage to the proposed Project caused by groundshaking, all construction would comply with the latest California Building Code standards, as required by the City of Tracy Municipal Code 9.04.030.

Seismic design provisions of current building codes generally prescribe minimum lateral forces, applied statically to the structure, combined with the gravity forces of dead-and-live loads. The code-prescribed lateral forces are generally considered to be substantially smaller than the comparable forces that would be associated with a major earthquake. Therefore, structures should be able to: (1) resist minor earthquakes without damage, (2) resist moderate earthquakes without structural damage but with some nonstructural damage, and (3) resist major earthquakes without collapse but with some structural as well as nonstructural damage.

Implementation of the California Building Code standards, which include provisions for seismic building designs, would ensure that impacts associated with groundshaking would be less than significant. Building new structures for human use would increase the number of people exposed to local and regional seismic hazards. Seismic hazards are a significant risk for most property in California.

The Safety Element of the Tracy General Plan includes several goals, objectives, and policies to reduce the risks to the community from earthquakes and other geologic hazards. In particular, the following policies would apply to the Project site:

> **SA-1.1, Policy P2:** Geotechnical reports shall be required for development in areas where potentially serious geologic risks exist. These reports should address the degree of hazard, design parameters for the Project based on the hazard, and appropriate mitigation measures.
>
> **SA-1.2, Policy P1:** All construction in Tracy shall conform to the California Building Code and the Tracy Municipal Code including provisions addressing unreinforced masonry buildings.

The City reviews all proposed projects for consistency with the General Plan policies and California Building Code provisions identified above, as applicable. This review occurs throughout the project application review and processing stage, and throughout plan check and building inspection phases prior to the issuance of a certificate of occupancy. Since the majority of work under the scope of this Project involves roadway and bridges, the relevant Caltrans, state, and FHWA codes and requirements will be enforced.

Consistency with the requirements of the California Building Code and the Tracy General Plan policies identified above would ensure that impacts on humans associated with seismic hazards would be ***less than significant***.

Responses a.iii), c), d): Less than Significant. Liquefaction normally occurs when sites underlain by saturated, loose to medium dense, granular soils are subjected to relatively high ground shaking. During an earthquake, ground shaking may cause certain types of soil deposits to lose shear strength, resulting in ground settlement, oscillation, loss of bearing capacity, landsliding, and the buoyant rise of buried structures. Most liquefaction hazards are associated with sandy soils, silty soils of low plasticity, and some gravelly soils. Cohesive soils are generally not considered to be susceptible to liquefaction. In general, liquefaction hazards are most severe within the upper 50 feet of the surface, except where slope faces, or deep foundations are present. According to the General Plan EIR, for the most part, Tracy is at low risk for liquefaction, except for the riverbanks of rivers within the Tracy Planning Area.

Expansive soils are those that undergo volume changes as moisture content fluctuates; swelling substantially when wet or shrinking when dry. Soil expansion can damage structures by cracking foundations, causing settlement and distorting structural elements. Expansion is a typical characteristic of clay-type soils. Expansive soils shrink and swell in volume during changes in moisture content, such as a result of seasonal rain events, and can cause damage to foundations, concrete slabs, roadway improvements, and pavement sections.

Soil expansion is dependent on many factors. The more clayey, critically expansive surface soil and fill materials will be subjected to volume changes during seasonal fluctuations in moisture content. According to the City of Tracy General Plan Draft EIR, portions of the Tracy Planning Area have a moderate to high risk for expansive soils. Implementation of the applicable objectives, policies, and actions from the General Plan Safety Element would reduce this potentially significant impact to a less than significant level. For example, Safety Element Objective SA-1.1, Policy P-1 requires underground utilities, particularly water and natural gas mains, to be designed to withstand seismic forces. Additionally, Safety Element Objective SA-1.2, Policy P-1 requires all construction within Tracy to conform to the California Building Code and Tracy Municipal Code including provisions addressing unreinforced masonry buildings. Lastly, Safety Element Objective SA-1.2, Policy P-2 requires a geotechnical report for development areas where serious geologic risks exist, although the Project site itself does not contain such risks. It is further noted that the Project would not introduce new people or habitable structures to the site. There would be a ***less than significant*** risk related to these topics associated with the construction of the proposed Project.

Response a.iv): Less than Significant. The Project site is relatively flat. As such, there is little, or no risk of landslides associated with construction and operation of the Project. This is a ***less than significant*** impact and no mitigation is required.

Response b): Less than Significant. According to the Project site plans prepared for the proposed Project, development of the proposed Project would result in the creation of new

impervious surface areas in portions of the Project site. The development of the Project site would also cause ground disturbance of topsoil. The ground disturbance would be limited to the areas proposed for grading and excavation. During any construction and land preparation processes within the Project site, exposed surfaces could be susceptible to erosion from wind and water. Effects from erosion include impacts on water quality and air quality. Exposed soils that are not properly contained or capped increase the potential for increased airborne dust and increased discharge of sediment and other pollutants into nearby stormwater drainage facilities. Risks associated with erosive surface soils can be reduced by using appropriate controls during construction and properly re-vegetating exposed areas.

The implementation of various dust control measures during site preparation and construction activities, as required by the SJVPACD, would reduce the potential for soil erosion and the loss of topsoil. For example, the SJVAPCD's Rule 8021 requires the implementation of various dust control measures during site preparation and construction activities that would reduce the potential for soil erosion and the loss of topsoil. Furthermore, Rule 8301 would limit fugitive dust emissions from the outdoor handling, storage, and transport of bulk materials; Rule 8401 limits fugitive dust emissions from carryout and trackout; Rule 8501 limits fugitive dust emissions in open areas; Rule 8061 limits fugitive dust emissions from paved and unpaved roads by implementing control measures and design criteria; Rule 8071 limits fugitive dust emissions from unpaved vehicle and equipment traffic areas. These Air District rules are required by law to be implemented, where applicable, and are enforced by the Air District, under the authority of the State of California Health and Safety Code, Sections 40001, 40702, 40752, and 40753, and by all officers and employees empowered by Sections 40120 and 41510 of the Health and Safety Code of the State of California, as described under the SJVAPCD's Rule 1040.

Additionally, it should be noted that, once the grading activities are completed, the Project site would immediately be paved, which would cap any exposed soil and eliminate the potential for erosion. Therefore, the impact is ***less than significant***.

Response e): Less than Significant. The proposed Project is anticipated to utilize septic tanks during the initial two phases of the project for the disposal of wastewater. However, implementation of proposed septic system would not be located on soils incapable of adequately supporting the use of septic tanks. The design and construction of the proposed septic system would also be required to adhere to all applicable State and local requirements relating to septic systems. Therefore, implementation of the proposed Project would result in a ***less than significant impact*** relative to this topic.

Response f): No impact. There are no known paleontological resources or sites located on the Project site. Additionally, unique geologic features are not known to be located on the site. As a result, and due to the disturbed nature of the site and the limited amount of excavation required to implement the Project, no paleontological resources or geologic features are anticipated to be encountered during the Project's construction phase. Therefore, ***no impact*** would occur.

VIII. GREENHOUSE GAS EMISSIONS

Would the project:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?			X	
b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gasses?			X	

Background Information

Various gases in the Earth's atmosphere, classified as atmospheric greenhouse gases (GHGs), play a critical role in determining the Earth's surface temperature. Solar radiation enters Earth's atmosphere from space, and a portion of the radiation is absorbed by the Earth's surface. The Earth emits this radiation back toward space, but the properties of the radiation change from high-frequency solar radiation to lower-frequency infrared radiation.

Naturally occurring greenhouse gases include water vapor (H_2O), carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), and ozone (O_3). Several classes of halogenated substances that contain fluorine, chlorine, or bromine are also greenhouse gases, but they are, for the most part, solely a product of industrial activities. Although the direct greenhouse gases CO_2, CH_4, and N_2O occur naturally in the atmosphere, human activities have changed their atmospheric concentrations. From the pre-industrial era (i.e., ending about 1750) to 2011, concentrations of these three greenhouse gases have increased globally by 40, 150, and 20 percent, respectively (Intergovernmental Panel on Climate Change [IPCC], 2013).

Greenhouse gases, which are transparent to solar radiation, are effective in absorbing infrared radiation. As a result, this radiation that otherwise would have escaped back into space is now retained, resulting in a warming of the atmosphere. This phenomenon is known as the greenhouse effect. Among the prominent GHGs contributing to the greenhouse effect are carbon dioxide (CO_2), methane (CH_4), ozone (O_3), water vapor, nitrous oxide (N_2O), and chlorofluorocarbons (CFCs).

The emissions from a single project will not cause global climate change, however, GHG emissions from multiple projects throughout the world could result in a cumulative impact with respect to global climate change. Therefore, the analysis of GHGs and climate change presented in this section is presented in terms of the proposed Project's contribution to cumulative impacts and potential to result in cumulatively considerable impacts related to GHGs and climate change.

Cumulative impacts are the collective impacts of one or more past, present, and future projects that, when combined, result in adverse changes to the environment. In determining the significance of a proposed project's contribution to anticipated adverse future conditions, a lead agency should generally undertake a two-step analysis. The first question is whether the *combined* effects from *both* the proposed project *and* other projects would be cumulatively significant. If the agency answers this inquiry in the affirmative, the second question is whether "the proposed project's *incremental* effects are cumulatively considerable" and thus significant in and of themselves. The cumulative project list for this issue (climate change) comprises anthropogenic (i.e., human-made) GHG emissions sources across the globe and no project alone would reasonably be expected to contribute to a noticeable incremental change to the global

climate. However, legislation and executive orders on the subject of climate change in California have established a statewide context and process for developing an enforceable statewide cap on GHG emissions. Given the nature of environmental consequences from GHGs and global climate change, CEQA requires that lead agencies consider evaluating the cumulative impacts of GHGs. Small contributions to this cumulative impact (from which significant effects are occurring and are expected to worsen over time) may be potentially considerable and, therefore, significant.

Significance Thresholds

Governor's Office of Planning and Research's (OPR's) Guidance does not include a quantitative threshold of significance to use for assessing a project's GHG emissions under CEQA. Moreover, the California Air Resources Board (CARB) has not established such a threshold or recommended a method for setting a threshold for project-level analysis. In the absence of a consistent statewide threshold, a threshold of significance for analyzing the project's GHG emissions was developed. The issue of setting a GHG threshold is complex and dynamic, especially in light of the California Supreme Court decision in *Center for Biological Diversity v. California Department of Fish and Wildlife* (referred to as the Newhall Ranch decision hereafter). The California Supreme Court ruling also highlighted the need for the threshold to be tailored to the specific project type, its location, and the surrounding setting. Therefore, the threshold used to analyze the project is specific to the analysis herein and the City retains the ability to develop and/or use different thresholds of significance for other projects in its capacity as lead agency and recognizing the need for the individual threshold to be tailored and specific to individual projects.

Responses to Checklist Questions

Responses a) and b): Less than Significant. Emissions of GHGs contributing to global climate change are attributable in large part to human activities associated with the industrial/manufacturing, utility, transportation, residential, and agricultural sectors. Therefore, the cumulative global emissions of GHGs contributing to global climate change can be attributed to every nation, region, and city, and virtually every individual on Earth. A project's GHG emissions are at a micro-scale relative to global emissions but could result in a cumulatively considerable incremental contribution to a significant cumulative macro-scale impact. Implementation of the proposed Project would contribute to increases of GHG emissions that are associated with global climate change. Estimated GHG emissions attributable to future development would be primarily associated with increases of CO2 and other GHG pollutants, such as CH4 and N2O, from construction. These construction GHG emissions are a one-time release and are comparatively much lower than emissions associated with operational phases of a Project. Cumulatively, these construction emissions would not generate a significant contribution to global climate change.

As noted previously, the proposed Project would result in limited operational emissions, given that the Project is anticipated to only increase vehicle trips by a maximum of approximately 80 trips per day[2], and since the on-site energy use required for the Project buildings and other features would be small (based on the size and nature of the buildings and other features associated with the Project). Separately, during Project construction, the only GHG emissions that would be emitted by the proposed Project would occur by off-road and on-road construction vehicles. These emissions would be very small and would not contribute meaningfully to global climate change. This is a ***less than significant*** impact.

[2] Based on the total number of parking spots that would be developed for the Project site (40). Each vehicle round trip is counted as two vehicle trips.

IX. HAZARDS AND HAZARDOUS MATERIALS

Would the project:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?			X	
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?			X	
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?				X
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?				X
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard or excessive noise for people residing or working in the project area?				X
f) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?				X
g) Expose people or structures, either directly or indirectly, to a significant risk of loss, injury or death involving wildland fires?			X	

Responses to Checklist Questions

Responses a)-b) Less than Significant. The proposed Project could involve the use of hazardous materials. As shown in Figure 3, the proposed Project could have hazardous materials within the prop training area in the northern portion of the Project site. The hazardous materials could contain materials that would enhance the flammability of fires, for fire training purposes. Therefore, the transport, use, and disposal of hazardous materials could periodically occur. However, the transport, use, and disposal of such hazardous materials would conform to all applicable federal, State, and local laws that would prevent such activities from creating a significant hazard to the public or environment, including through reasonably foreseeable upset and accident conditions. It should also be mentioned that the nearest sensitive receptor is located approximately 0.25 miles from the Project site, providing a substantial buffer between the Project site and the nearest sensitive receptor. Furthermore, the Project site is surrounded by buffer land uses, such as the vacant land to the south and east, the City of Tracy Water Reservoir and storm basin directly to the west, and Brichetto road the UPRR rail line to the north. Therefore, any smoke from the Project site from on-site fires used for training purposes would disperse into the atmosphere widely before reaching any sensitive receptors; furthermore, any on-site fires would

be highly localized and temporary. Lastly, since the City of Tracy Water Reservoir is located directly adjacent to the Project site, ample nearby water resources would be available to address any hazards associated with on-site fires that are ignited on-site for training purposes.

Onsite reconnaissance and historical records indicate that there are no known underground storage tanks or pipelines located on the Project site that contain hazardous materials. Therefore, the disturbance of such items during construction activities is unlikely. Construction equipment and materials would likely require the use of petroleum-based products (oil, gasoline, diesel fuel), and a variety of common chemicals including paints, cleaners, and solvents. Transportation, storage, use, and disposal of hazardous materials during construction activities would be required to comply with applicable federal, state, and local statutes and regulations. Compliance would ensure that human health and the environment are not exposed to hazardous materials.

Overall, both construction and operation of the proposed Project does not pose a significant hazard to the public or the environment. There is a ***less than significant*** impact relative to this topic.

Responses c) No Impact. The Project site is not located within ¼ mile of an existing school. The nearest school is Tracy High School, located approximately 1.16 miles to the west of the Project site. Therefore, **no impact** would occur as a result of the proposed Project.

Response d) No Impact. The Project site is not included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5. Therefore, Project implementation would have **no impact** relative to this topic.

Response e) No Impact. The Federal Aviation Administration (FAA) establishes distances of ground clearance for take-off and landing safety based on such items as the type of aircraft using the airport.

The Tracy Municipal Airport is the closest airport to the Project site, located approximately 4.19 miles southwest of the site. The Airport is a general aviation airport owned by the City and managed by the Mobility and Housing Division of the City Manager's Office. The City of Tracy adopted an Airport Master Plan in 1998, analyzing the impacts to safety on surrounding development from the Tracy Municipal Airport.

The probability of an aircraft accident is highest along the extended runway centerline, and within one mile of the runway end. The Airport Master Plan designates four safety zones in which land use restrictions apply due to proximity to the airport:

1. Runway Protection Zone (RPZ)
2. Inner Approach Zone (PAZ0
3. Outer Approach Zone (OAZ)
4. Overflight Zone (OZ)

Land use constraints in these four zones become progressively less restrictive from the RPZ to the OZ. The proposed Project is not located in any of these four safety zones. The proposed Project is not within the Tracy Airport zone, nor is it within any area identified as impacted by the Tracy Municipal Airport in the San Joaquin County Airport Land Use Compatibility Plan (i.e., it is not within the Airport Influence Area). Therefore, ***no impact*** associated with private airstrips and airport land use plans would occur.

Response f) No Impact. The Project site currently connects to an existing network of City streets. The Project would not impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan. Therefore, there is **no impact** relative to this topic.

Response g) Less than Significant. The risk of wildfire is related to a variety of parameters, including fuel loading (vegetation), fire weather (winds, temperatures, humidity levels and fuel moisture contents) and topography (degree of slope). Steep slopes contribute to fire hazard by intensifying the effects of wind and making fire suppression difficult. Fuels such as grass are highly flammable because they have a high surface area to mass ratio and require less heat to reach the ignition point. The Project would not result in development of structures or housing which would subject residents, visitors, or workers to long-term wildfire danger. Therefore, impacts from Project implementation would be considered ***less than significant*** relative to this topic.

X. HYDROLOGY AND WATER QUALITY

Would the project:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
a) Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or ground water quality?			X	
b) Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin?			X	
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner which would:			X	
(i) result in substantial erosion or siltation on- or off-site;			X	
(ii) substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or offsite;			X	
(iii) create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems to provide substantial additional sources of polluted runoff; or			X	
(iv) impede or redirect flood flows?			X	
d) In flood hazard, tsunami, or seiche zones, risk release of pollutants due to project inundation?				X
e) Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?			X	

Responses to Checklist Questions

Responses a), c(i) – c(iv)) Less than Significant. The proposed Project does not contain any drainage connectivity to Waters of the US, nor is it located within a flood plain or flood hazard zone. Additionally, while the proposed Project would generate demand for water and wastewater which would require treatment, the proposed Project will not result in intensification of land uses, or the addition of structures or uses that would differ from the current General Plan.

In order to ensure that stormwater runoff from the Project site does not adversely increase pollutant levels in adjacent surface waters or exceed the capacity of the City's nearby stormwater conveyance infrastructure, the Project is required to adhere to the standards and requirements contained in Chapter 11.34 of the Tracy Municipal Code – Stormwater Management and Discharge Control. Additionally, the proposed Project includes a storm retention basin area of 49,200 square feet (containing a volume of approximately 109,500 cubic feet), which would retain the bulk of the stormwater from the new impervious surfaces associated with the Project site. Therefore, although the proposed Project adds additional impervious surfaces (such as an

asphalt parking lot) to the site that is currently pervious, the addition of impervious surfaces on-site would not lead to a violation of any water quality standards or waste discharge requirements, or otherwise substantially degrade surface or ground water quality.

Separately, the proposed Project would not alter a stream or river. As previously stated, the implementation of the proposed Project would result in additional impervious surfaces. As a standard practice, the City requires post-Project runoff to be equal to or less than pre-Project runoff, which would ensure that the proposed Project would not substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site.

Additionally, the Project is subject to the requirements of Chapter 11.34 of the Tracy Municipal Code – Stormwater Management and Discharge Control. The purpose of this Chapter is to *"Protect and promote the health, safety and general welfare of the citizens of the City by controlling non-stormwater discharges to the stormwater conveyance system, by eliminating discharges to the stormwater conveyance system from spills, dumping, or disposal of materials other than stormwater, and by reducing pollutants in urban stormwater discharges to the maximum extent practicable."*

This chapter is intended to assist in the protection and enhancement of the water quality of watercourses, water bodies, and wetlands in a manner pursuant to and consistent with the Federal Water Pollution Control Act (Clean Water Act, 33 USC Section 1251 et seq.), Porter-Cologne Water Quality Control Act (California Water Code Section 13000 et seq.) and NPDES Permit No. CAS000004, as such permit is amended and/or renewed.

New projects in the City of Tracy are required to provide site-specific storm drainage solutions and improvements that are consistent with the overall storm drainage infrastructure approach presented in the 2012 City of Tracy Citywide Storm Drainage Master Plan. Prior to approval of the improvement plans, a detailed storm drainage infrastructure plan shall be coordinated with the City of Tracy Development Services Department and Utilities Department for review and approval. The proposed Project's storm drainage infrastructure plans must demonstrate adequate infrastructure capacity to collect and direct all stormwater generated on the Project site to the existing stormwater conveyance system and demonstrate that the proposed Project would not result in on- or off-site flooding impacts.

Therefore, implementation of the proposed Project would result in a ***less than significant*** impact relative to this topic.

Responses b) and e) Less than Significant. The proposed Project would require ground water supplies, primarily for the on-site buildings and for localized fire suppression training purposes. However, the on-site buildings would not require a substantial amount of water, and the on-site fire suppression training that could require the use of water would be periodic and highly localized, thereby minimizing the amount of water needed. Overall, given the size and nature of the Project, the Project would not require substantial water use. Moreover, although a substantial amount of impervious surface would be added to the Project site (including asphalt for the on-site parking lot), on-site water runoff would be directed to the on-site storm retention basin. Moreover, the Project site is surrounded primarily by agricultural land; any runoff that is not routed to the on-site retention basin would percolate into the ground via the surrounding land. Therefore, the proposed Project would not significantly interfere with groundwater recharge. The Project site is also not located within a key groundwater recharge area. As such, impacts from Project implementation would be ***less than significant*** relative to this topic.

Response d) No Impact. The Project site is not within a 100-year, 200-year, or 500-year flood zone as delineated by FEMA. The Project site is not within a tsunami or seiche zine. Development of the proposed Project would not place housing or structures in a flood hazard area. Therefore, ***no impact*** from Project implementation relative to flood hazard, tsunami, or seiche zones would occur.

XI. LAND USE AND PLANNING

Would the project:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
a) Physically divide an established community?				X
b) Cause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect?			X	

Responses to Checklist Questions

Response a) No Impact. Development of the Project would not result in any physical barriers, such as a wall, or other division, that would divide an existing community. The Project would have ***no impact*** in regard to the physical division of an established community.

Response b) Less than Significant. The key planning documents that are directly related to, or that establish a framework within which the proposed Project must be consistent, include:

- City of Tracy General Plan; and
- City of Tracy Zoning Ordinance.

The Project site is currently designated Public Facilities by the City of Tracy General Plan Land Use Map and is zoned Agriculture (A).

The proposed Project would not conflict with any goals, policies, or implementing actions contained within the General Plan or other regulations adopted for the purpose of avoiding or mitigating an environmental effect. Therefore, there is ***less than significant*** related to this topic.

XII. MINERAL RESOURCES

Would the project:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?				X
b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?				X

Responses to Checklist Questions

Responses a)-b) No Impact. As described in the Tracy General Plan EIR, the main mineral resources found in San Joaquin County, and the Tracy Planning Area, are sand and gravel (aggregate), which are primarily used for construction materials such as asphalt and concrete. According to the California Geological Survey (CGS) evaluation of the quality and quantity of these resources, the most marketable aggregate materials in San Joaquin County are found in three main areas:

- In the Corral Hollow alluvial fan deposits south of Tracy;
- Along the channel and floodplain deposits of the Mokelumne River; and
- Along the San Joaquin River near Lathrop.

Figure 4.8-1 of the General Plan EIR identifies Mineral Resource Zones (MRZs) throughout the Tracy Planning Area. The Project site is located within an area designated as MRZ-1. The MRZ-1 designation applies to areas where adequate information indicates that no significant mineral deposits are present, or where it is judged that little likelihood exists for their presence. There are no substantial aggregate materials located within the Project site. Therefore, the Project would not result in the loss of availability of a known mineral resource or locally-important mineral resources recovery site. Therefore, there is ***no impact*** related to mineral resources.

XIII. NOISE

Would the project result in:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
a) Generation of a temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?			X	
b) Generation of excessive groundborne vibration or groundborne noise levels?			X	
c) For a project located within the vicinity of a private airstrip or an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?			X	

Responses to Checklist Questions

Responses a) Less than Significant. The proposed Project is located in an area consisting predominately of commercial land uses, with some limited residential uses nearby as well.

Construction activities have the potential to create temporary, or periodic increases in ambient noise levels in the Project vicinity above levels existing without the Project. Project construction would occur in phases, but in total, would be anticipated to take approximately one year. During the construction stage of the Project, noise from construction activities would add to the noise environment in the Project vicinity. Construction activities would include the use of heavy equipment including grading and compacting that can generate noise. Noise would also be generated during the construction phase by increased truck traffic on area roadways. This noise increase would be of short duration and would occur primarily during daytime hours.

Table 1 provides a list of the types of equipment which may be associated with construction activities and the associated noise levels. The nearest residential receptor would be located approximately 0.25 miles or further from construction activities.

Table 1: Construction Equipment Noise

Type of Equipment	Predicted Noise Level (L_{max} Db)				Distances To Noise Contours (Feet)	
	Noise Level At 50'	Noise Level At 100'	Noise Level At 50'	Noise Level At 100'	Noise Level At 50'	Noise Level At 100'
Backhoe	78	72	66	60	126	223
Compactor	83	77	71	65	223	397
Compressor (air)	78	72	66	60	126	223
Dozer	82	76	70	64	199	354
Dump Truck	76	70	64	58	100	177
Excavator	81	75	69	63	177	315
Generator	81	75	69	63	177	315

SOURCE: ROADWAY CONSTRUCTION NOISE MODEL USER'S GUIDE. FEDERAL HIGHWAY ADMINISTRATION. FHWA-HEP-05-054. JANUARY 2006.

Noise sensitive receptors near the construction site would, at times, experience elevated noise levels from construction activities; however, construction-related noise generally would occur during daytime hours only. General Plan Noise Element Policy 4 (Goal N-1.2) establishes the following construction requirements:

> *All construction in the vicinity of noise sensitive land uses, such as residences, hospitals, or convalescent homes, shall be limited to daylight hours or 7:00 a.m. to 7:00 p.m. In addition, the following construction noise control measures shall be included as requirements at construction sites to minimize construction noise impacts:*
>
> - *Equip all internal combustion engine-driven equipment with intake and exhaust mufflers that are in good condition and appropriate for the equipment.*
> - *Locate stationary noise-generating equipment as far as possible from sensitive receptors when sensitive receptors adjoin or are near a construction area.*
> - *Utilize "quiet" air compressors and other stationary noise sources where technology exists.*

Implementation of these required measures (i.e., engine muffling, placement of construction equipment, and strategic stockpiling and staging of construction vehicles), and compliance with the City Municipal Code requirements, would serve to further reduce exposure to construction noise levels. Adherence to City's General Plan, as well as City Municipal Code Title 4.12, Article 9 (Noise Control Ordinance), would minimize any impacts from noise during construction. Requirements stated above are adopted by the City as Conditions of Approval (COAs) for all new projects prior to project approval.

Separately, operational noise could be generated by on-site fire training activities, and off-site vehicle travel to and from the Project site. On-site fire training activities that could generate noise could include outdoor prop training activities in the northern portion of the Project site, as well as the potential for sirens and outdoor burns. However, with regard to on-site fire training activities, the nearest sensitive receptor is located far from the Project site.[3] Therefore, the noise associated with outdoor training activities would minimally affect the nearby sensitive receptors. Moreover, based on the Project size and type, the number of vehicles traveling to and from the Project site would be low (estimated to be a maximum of approximately 80 trips per day, based on the number of parking spaces that would be located within the Project site). Therefore, the potential for noise associated with Project operational activities to cause an increase in noise levels in excess of the local noise standards would be minimal.

Therefore, implementation of the proposed Project would have a ***less than significant*** impact relative to this topic.

Response b) Less than Significant. No major stationary sources of groundborne vibration were identified in the Project area that would result in the long-term exposure of proposed onsite land uses to unacceptable levels of ground vibration. In addition, the proposed Project would not involve the use of any major equipment or processes that would result in potentially significant levels of ground vibration that would exceed these standards at nearby existing land uses. However, construction activities associated with the proposed Project would require the use of

[3] The nearest sensitive receptor is located approximately 0.25 miles south of the Project site, south of W. 11th Street.

various tractors, trucks, and potentially jackhammers that could result in intermittent increases in groundborne vibration levels. The use of major groundborne vibration-generating construction equipment/processes (i.e., blasting, pile driving) is not anticipated to be required for construction of the proposed Project.

Groundborne vibration levels commonly associated with construction equipment are summarized in Table 2.

Table 2: Representative Vibration Source Levels for Construction Equipment

EQUIPMENT	*PEAK PARTICLE VELOCITY AT 25 FEET (IN/SEC)*
Large Bulldozers	0.089
Loaded Trucks	0.076
Jackhammer	0.035
Small Bulldozers	0.003

SOURCE: FTA 2006, CALTRANS 2004.

Based on the levels presented in Table 2, groundborne vibration generated by construction equipment would not be anticipated to exceed approximately 0.09 inches per second peak particle velocity (ppv) at 25 feet. Predicted vibration levels would not be anticipated to exceed recommended criteria for structural damage and human annoyance (0.2 and 0.1 in/sec ppv, respectively) at nearby land uses. As a result, short-term groundborne vibration impacts would be considered ***less than significant*** and no mitigation is required.

Response c) Less than Significant. The Tracy Municipal Airport is the closest airport to the Project site, located approximately 4.19 miles southwest of the site. The Airport is a general aviation airport owned by the City and managed by the Mobility and Housing Division of the City Manager's Office. The City of Tracy adopted an Airport Master Plan in 1998, analyzing the impacts to safety on surrounding development from the Tracy Municipal Airport.

The San Joaquin County Airport Land Use Plan establishes noise contours surrounding the Tracy Municipal Airport. As shown on Figure 4.14-3 of the Tracy General Plan Final Supplemental EIR (Certified on February 1, 2011), the Project site is located outside of both the 65 dB CNEL and the 60 dB CNEL noise contours for the Tracy Municipal Airport. As such, the Project site would not be exposed to excessive noise from the Tracy Municipal Airport. This is a ***less than significant*** impact, and no mitigation is required.

XIV. POPULATION AND HOUSING

Would the project:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
a) Induce substantial unplanned population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?			X	
b) Displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere?				X

Responses to Checklist Questions

Response a) Less than Significant. The Project does not propose any housing that would result in direct population growth. The proposed Project will not result in intensification of land uses, or the addition of structures or uses that would differ from the current General Plan. No population increases would result from implementation of the proposed Project. Therefore, implementation of the proposed Project would have a ***less than significant*** impact relative to this topic.

Response b) No Impact. The Project site is located within the Tracy City limit. The proposed Project would not displace housing or people. Implementation of the proposed Project would have ***no impact*** relative to this topic.

XV. PUBLIC SERVICES

	Potentially Significant Impact	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
a) Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:				
i) Fire protection?				X
ii) Police protection?				X
iii) Schools?				X
iv) Parks?				X
v) Other public facilities?				X

Responses to Checklist Questions

Responses ai), aii), aiii), aiv): No impact. The Project site is currently under the jurisdiction of the South San Joaquin County Fire Authority. The proposed Project would not add residential units to, or increase the population of, the City of Tracy. The proposed Project will not result in intensification of land use, or the addition of structures or uses that would differ from the current General Plan or previously-approved Projects. No additional demand for fire protection would be created by the Project. Therefore, implementation of the proposed Project will have ***no impact*** relating to this topic.

The Project site is currently under the jurisdiction of the Tracy Police Department. The proposed Project would not add residential units to, or increase the population of, the City of Tracy. The proposed Project would not result in intensification of land use, or the addition of structures or uses that would differ from the current General Plan or previously-approved Projects. No additional demand for police protection would be created by the Project. Therefore, implementation of the proposed Project will have ***no impact*** relative to this topic.

Schools within the City of Tracy are part of the Tracy Unified School District. The proposed Project does not include any residential units, or any other type of use that would directly or indirectly increase the student population in the area. Therefore, implementation of the proposed Project will have ***no impact*** relative to this topic.

The proposed Project does not include any residential units or any other type of use that would directly, or indirectly increase the population, or park demand in the area, or include any other type of use that would directly increase the park needs. The proposed Project will not result in intensification of land use, or the addition of structures or uses that would differ from the current General Plan. Therefore, the proposed Project would not have the potential to require construction of additional park and recreational facilities which may cause substantial adverse physical environmental impacts. Therefore, implementation of the proposed Project will have ***no impact*** relative to this topic.

XVI. RECREATION

	Potentially Significant Impact	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?				X
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?				X

Responses to Checklist Questions

Response a)-b) No Impact. The proposed Project does not include any residential units or any other type of use that would increase the population, or park and recreation facility demand in the area, or include any other type of use that would directly increase the use of park and recreation facilities. The proposed Project will not result in intensification of land uses, or the addition of structures or uses that would differ from the current General Plan. Therefore, the proposed Project would not significantly increase the use of existing facilities. Furthermore, it is not anticipated that any substantial physical deterioration of existing facilities would occur or be accelerated. Implementation of the proposed Project would have a ***no impact*** relative to this topic.

XVII. TRANSPORTATION

Would the project:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
a) Conflict with a program plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities?			X	
b) Would the project conflict or be inconsistent with CEQA Guidelines section 15064.3, subdivision (b)?			X	
c) Substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?			X	
d) Result in inadequate emergency access?			X	

Responses to Checklist Questions

Response a) Less than Significant. No new residential structures or uses are included in the Project. However, the Project would generate some operational vehicle trips from workers during on-site fire training activities. Based on the parking availability anticipated to be within the Project site (i.e., 40 spaces), the proposed Project could generate up to approximately 41 workers (including trainees) per day, which translates to up to approximately 80 operational vehicle trips per day (since each round trip is considered two trips). However, it should be noted that this is likely to be a large overestimate, since the Project is anticipated to be utilized on a part-time (rather than full-time) basis. Nevertheless, this number of vehicle trips generated during Project operation would be minimal. Therefore, there is a **less than significant** relative to this topic.

Response b) Less than Significant. The proposed Project would not add a notable amount of new vehicle trips to any area roadways, as described under Response a), nor can it reasonably assumed that it would meaningfully increase the length of any existing or future vehicle trips.

Moreover, crucially, Section 15064.3 of the current CEQA Guidelines gives agencies wide latitude in assessing transportation impacts with VMT. The more technical details of calculating VMT and assessing impacts are found in a Technical Advisory issued by OPR. The Technical Advisory provides guidance on assessing VMT, different methodologies, significance thresholds, and mitigation measures.

SB 743 authorized OPR to decide whether the new VMT-based approaches would apply only to "transit priority areas" or to all areas in the state. A transit priority area is an area within one-half mile of a major transit stop. A major transit stop is a "site containing an existing rail transit station, a ferry terminal served by either a bus or rail transit service, or the intersection of two or more major bus routes with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods." Pub. Res. Code § 21064.3. OPR has opted to require the new VMT-based analysis in all areas of the state, not just in transit priority areas. Transit priority areas are still relevant, however; land use projects within one-half mile of a major transit stop or a stop along a high-quality transit corridor should be presumed to have a less than significant transportation impact. A high-quality transit corridor is a corridor with fixed route bus service with service intervals that do not exceed 15 minutes during peak commute

hours. In addition, projects that decrease VMT in the project area as compared to existing conditions should be presumed to have a less than a significant impact.

Where quantitative models or methods are unavailable, section 15064.3 allows agencies to assess VMT qualitatively, using factors such as availability of transit and proximity to other destinations. The Guideline also states that the lead agency has discretion to choose the most appropriate methodology and can use its professional judgment to adjust its analysis accordingly.

While not legally binding, the Technical Advisory will be an important reference for agencies in determining how to calculate VMT, setting significance thresholds, and identifying mitigation measures. For instance, the Technical Advisory discusses the difference between tour-based and trip-based VMT. Trip-based VMT counts trips to and from one location (i.e., home to work) but does not count any trips taken in between, whereas tour-based VMT includes these trips. Either method can be used for residential and office projects, but the Technical Advisory recommends tour-based VMT because it is more comprehensive.

Globally, the Technical Advisory suggests that agencies use consistent methodologies for setting thresholds, estimating project VMT, and estimating reductions from mitigations, to allow for apples-to-apples comparisons.

The Technical Advisory also provides guidance for setting screening thresholds and thresholds of significance:

- As stated by the new Guideline, projects within one-half mile of a major transit stop or high-quality transit corridor should be presumed to result in a less-than-significant impact.
- Small projects that generate fewer than 110 trips per day may generally be assumed to cause a less-than-significant transportation impact.
- Agencies may develop map-based screening for residential and office projects where projects located near areas with low VMT may be presumed to have a less-than-significant transportation impact.
- Residential projects that result in per capita VMT that exceeds 85 percent of existing regional or city average VMT may indicate a significant impact.
- Office projects that result in per employee VMT that exceeds 85 percent of existing regional average VMT may indicate a significant impact.
- With retail projects, the Technical Advisory recommends that the analysis should be based on total change in VMT because retail projects usually re-route travel from other retail destinations.

Since the Project can be anticipated to generate fewer than 110 trips per day, the proposed Project fits the second guidance criteria for setting screening thresholds and thresholds of significance, as promulgated by OPR's Technical Advisory. Therefore, there is a **less than significant** impact associated with this impact.

Response c) and d) Less than Significant. No site circulation or access issues have been identified that would cause a traffic safety problem/hazard or any unusual traffic congestion or delay that could impede emergency vehicles or emergency access. The Project site would be

accessible from North Chrisman Road. The Project does not include any design features or incompatible uses that pose a significant safety risk. The Project would create no adverse impacts to emergency vehicle access or circulation. Therefore, Project implementation would have a ***less than significant*** impact relative to this topic.

XVIII. TRIBAL CULTURAL RESOURCES

	Potentially Significant Impact	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
Would the project cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code Section 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe, and that is:				
a) Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code Section 5020.1(k)?			X	
b) A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code Section 5024.1? In applying the criteria set forth in subdivision (c) of Public Resources Code Section 5024.1, the lead agency shall consider the significance of the resources to a California Native American tribe.			X	

Responses to Checklist Questions

Responses a)-b) Less than Significant. Known tribal cultural resources or sites are not located on the Project site. Additionally, unique geologic features are not located on the site. The Project site was formerly used for agricultural operations and is surrounded by existing or future urban development. No tribal cultural resources or geologic features are anticipated to be encountered during the Project's construction phase due to the disturbed nature of the site and the limited amount of excavation that would be required to implement the Project.

There are no known tribal cultural resources located on the Project site, nor is there evidence to suggest that tribal cultural resources may be present on the Project site. Therefore, it is not anticipated that site grading and preparation activities would result in impacts to tribal cultural resources. Therefore, Project implementation would have a ***less than significant*** impact relative to this topic.

XIX. UTILITIES AND SERVICE SYSTEMS

Would the project:	*Potentially Significant Impact*	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
a) Require or result in the relocation or construction of new or expanded water, wastewater treatment or storm water drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects?			X	
b) Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry, and multiple dry years?			X	
c) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the projects projected demand in addition to the providers existing commitments?			X	
d) Generate solid waste in excess of state or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reductions goals?			X	
e) Comply with federal, state, and local management and reduction statutes and regulations related to solid waste?			X	

Responses to Checklist Questions

Responses a)-e) Less than Significant. The proposed Project would result in the intensification of the land use, and the addition of structures. The proposed Project would increase demand for water, wastewater, electric power, solid waste disposal, and telecommunications facilities. Additionally, the increase in the number of impervious surfaces added by the Project would require the installation of a storm retention basin, which would be located in the northern portion of the Project site. require the expansion of any off-site drainage infrastructure. Further discussion of these impacts is provided in detail, below.

Water

The provision of public services and the construction of onsite infrastructure improvements will be required to accommodate the development of the proposed Project. The proposed Project would require extensions of offsite water conveyance infrastructure to the Project site for potable water and irrigation water. Water distribution will be by an underground distribution system to be installed as per the City of Tracy standards and specifications, as applicable. All offsite water utility improvements will be in or adjacent to existing roadways along the perimeter of the Project site, as applicable, thereby limiting any potential impact to areas that were not already disturbed. In addition, the City of Tracy Water Reservoir is located adjacent to the Project site (to the west). Overall, although the proposed Project would generate water demand from the proposed Project buildings and the on-site fire suppression activities during training, the amount of water generated by the proposed Project would be minimal in relation to the City of Tracy water sources as a whole. The City of Tracy currently has sufficient storage capacity in Zones 1

and 2 (existing system operations) and Zone 3 (future alternative system operations) to meet the needs of the proposed Project. Therefore, the proposed Project would not result in insufficient water supplies available to serve the proposed Project from existing entitlements and resources. Therefore, the proposed Project would result in a **less than significant** impact to water supplies.

Wastewater

The provision of public services and the construction of onsite infrastructure improvements will be required to accommodate the development of the proposed Project. Although a stand-alone septic system is planned for the proposed Project for Phase 1 and Phase 2 (see Project Description for further detail), as analyzed under Section VII. Geology and Soil Impact e), the proposed Project is anticipated to require extensions of offsite wastewater conveyance infrastructure to the Project site after development of Phase 3 of the Project. Wastewater lines would be connected via existing lines along nearby roadways, as applicable. All offsite water utility improvements will be in or adjacent to existing roadways along the perimeter of the Project site, thereby limiting any potential impact to areas that were not already disturbed.

No additional off-site improvements are required to serve the Project. Additionally, preliminary review indicates the utility plan meets City requirements for on-site sewer improvements. Ultimately, the sanitary sewer collection system will be an underground collection system installed as per the City of Tracy standards and specifications. Sanitary sewer disposal and treatment will be to the City of Tracy WWTP. The development of the proposed Project would not exceed the wastewater discharge requirements in the applicable Waste Discharge Requirement (WDR) Order. Therefore, the proposed Project is anticipated to have a **less than significant** impact relative to this topic.

Storm Drainage

Because the proposed Project increases impervious surface area from an existing undeveloped and predominately previous site, the Project site could increase runoff significantly. Project impacts to stormwater are considered potentially significant. Onsite storm drainage would be installed to serve the proposed Project. Development of the proposed Project would include construction of a new storm drainage system, as well as a storm retention basin located in the northern portion of the Project site.

Pursuant to section 11.34.210 Design Standards of the City's Municipal Code, installation of the Project's storm drain system would be required to conform to the design criteria, standard plans and specifications and the inspection and testing procedures set forth in the applicable City public improvement design standards. Thus, the proposed storm drainage collection and detention system will be subject to the SWRCB and City of Tracy regulations, including: Tracy Municipal Code, Tracy Storm Drain Master Plan, 2012; Phase II, NPDES Permit Requirements; NPDES-MS4 Permit Requirements; and LID Guidelines.

New projects in the City of Tracy are required to provide site-specific storm drainage solutions and improvements that are consistent with the overall storm drainage infrastructure approach presented in the 2012 City of Tracy Citywide Storm Drainage Master Plan. Prior to approval of the improvement plans, a detailed storm drainage infrastructure plan shall be coordinated with the City of Tracy Development Services Department and Utilities Department for review and approval. The proposed Project's storm drainage infrastructure plans must demonstrate adequate infrastructure capacity to collect and direct all stormwater generated on the Project site to the existing stormwater conveyance system and demonstrate that the proposed Project

would not result in storm water drainage impacts. Therefore, the proposed Project is anticipated to have a **less than significant** impact relative to this topic.

Solid Waste

The City of Tracy contracts with Tracy Disposal Service, a private company, for solid waste collection and disposal. Based on the Project size and type, solid waste generated by the proposed Project would be minimal. Solid waste would be generated mostly by the on-site Project buildings and would be anticipated to be 50 pounds per day or less.

Currently, the permitted capacity of the Foothill Landfill is 102 million cubic yards. The remaining capacity of the facility is approximately 95 million cubic yards. The remaining capacity of the facility is approximately 95 million cubic yards. Current permits indicate a closure in 2054. There are no plans to expand the Foothill Landfill or build a new one to accommodate Tracy's waste since the Foothill Landfill is expected to meet the City's needs for the foreseeable future. The addition of the volume of solid waste associated with the proposed Project to the Foothill Landfill would not exceed the landfill's remaining capacity.

Overall, the proposed Project would be required to comply with applicable State and local requirements including those pertaining to solid waste, construction waste diversion, and recycling. The City would coordinate development of the proposed Project with Tracy Disposal Service. Furthermore, the addition of the volume of solid waste associated with the proposed Project, approximately 0.03 tons per day, would increase the total tons of solid waste to the MRF; however, this increase would not cause an exceedance of the landfill's remaining capacity. Therefore, the proposed Project would not generate solid waste in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals or exceed any State or local standards associated with solid waste. Therefore, the proposed Project is anticipated to have a **less than significant** impact relative to this topic.

Conclusion

There are ***less than significant*** impacts related to this topic.

XX. WILDFIRE

	Potentially Significant Impact	*Less Than Significant with Mitigation Incorporation*	*Less Than Significant Impact*	*No Impact*
If located in or near state responsibility areas or lands classified as very high fire hazard severity zones, would the project:				
a) Substantially impair an adopted emergency response plan or emergency evacuation plan?			X	
b) Due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to, pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire?			X	
c) Require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines, or other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment?			X	
d) Expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes?			X	

Response a) and d) Less than Significant. The proposed improvements would allow for decreased fire risk relative to existing conditions. The Project would not impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan, nor would it expose people or structures to significant risks associated with flooding or slope failure. Therefore, impacts from Project implementation would be considered ***less than significant*** relative to this topic.

Responses b) and c) Less than Significant. The risk of wildfire is related to a variety of parameters, including fuel loading (vegetation), fire weather (winds, temperatures, humidity levels and fuel moisture contents) and topography (degree of slope). Steep slopes contribute to fire hazard by intensifying the effects of wind and making fire suppression difficult. Fuels such as grass are highly flammable because they have a high surface area to mass ratio and require less heat to reach the ignition point. The Project would not result in development of structures or housing which would subject residents, visitors, or workers to long-term wildfire danger. The site is essentially flat and is not surrounded by fuels or other conditions conducive to wildfire risks, and no fuel breaks or other associated wildfire infrastructure would be required. Therefore, impacts from Project implementation are ***less than significant*** relative to this topic.

XXI. MANDATORY FINDINGS OF SIGNIFICANCE

	Potentially Significant Impact	***Less Than Significant with Mitigation Incorporation***	***Less Than Significant Impact***	***No Impact***
a) Does the project have the potential to substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?			X	
b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?			X	
c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?			X	

Responses to Checklist Questions

Responses a)-c) Less than Significant. As described throughout the analysis above, the proposed Project would not result in any significant impacts to the environment. As a result, the Project would not result in any cumulative impacts, impacts to biological resources or impacts to cultural and/or historical resources. These are ***less than significant*** impacts.

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APPENDIX A

PUBLIC COMMENTS
TO
NOTICE OF INTENT
TO FILE A
NEGATIVE DECLARATION

S J C O G, Inc.

555 East Weber Avenue ● Stockton, CA 95202 ● (209) 235-0574 ● Email: boyd@sjcog.org

San Joaquin County Multi-Species Habitat Conservation & Open Space Plan (SJMSCP)

SJMSCP RESPONSE TO LOCAL JURISDICTION (RTLJ)
ADVISORY AGENCY NOTICE TO SJCOG, Inc.

To: D'Evelyn Spekner, City of Tracy, Development Services Department

From: Laurel Boyd, SJCOG, Inc. Phone: (209) 235-0574 Email: boyd@sjcog.org

Date: September 26, 2023

-Local Jurisdiction Project Title: Notice of Intent to Adopt a Negative Declaration for the Tracy Fire Training Facility Project

Assessor Parcel Number(s): 250-030-07

Local Jurisdiction Project Number: CIP 71109

Total Acres to be converted from Open Space Use: Unknown

Habitat Types to be Disturbed: Agricultural Habitat Land

Species Impact Findings: Findings to be determined by SJMSCP biologist.

Dear Ms. D'Evelyn:

SJCOG, Inc. has reviewed the project referral for the Notice of Intent to Adopt a Negative Declaration for the Tracy Fire Training Facility Project. The project would include the construction of a fire training facility to meet the future fire training needs of the South San Joaquin County Fire Agency (SSJCFA). The proposed project is anticipated to include an office and classroom building, a storage building, a training tower, a parking lot containing approximately 40 parking spaces, a radio tower, and a prop training field. Fire suppression tactics and other firefighter training practices are anticipated to occur within the prop training field. In addition, an isolated rail car prop for training purposes would be located in the northern portion of the project site. Chain link fencing would surround the perimeter of the project site. The project site would be accessible from an access road that would connect to N. Chrisman Road, which would be located adjacent to the southern boundary of the Tracy NEI Reservoir. A storm retention basin containing approximately 109,500 cubic feet of volume would be located in the northeast portion of the project site. The project site is located north of Eleventh Street and east Chrisman Road, Tracy (APN: 250-030-07).

The City of Tracy is a signatory to San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (SJMSCP). Participation in the SJMSCP satisfies requirements of both the state and federal endangered species acts, and ensures that the impacts are mitigated below a level of significance in compliance with the California Environmental Quality Act (CEQA). The LOCAL JURISDICTION retains responsibility for ensuring that the appropriate Incidental Take Minimization Measure are properly implemented and monitored and that appropriate fees are paid in compliance with the SJMSCP. Although participation in the SJMSCP is voluntary, Local Jurisdiction/Lead Agencies should be aware that if project applicants choose against participating in the SJMSCP, they will be required to provide alternative mitigation in an amount and kind equal to that provided in the SJMSCP.

This Project is subject to the SJMSCP. This can be up to a 30 day process and it is recommended that the project applicant contact SJMSCP staff as early as possible. It is also recommended that the project applicant obtain an information package. http://www.sjcog.org

Please contact SJMSCP staff regarding completing the following steps to satisfy SJMSCP requirements:

- Schedule a SJMSCP Biologist to perform a pre-construction survey ***prior to any ground disturbance***
- SJMSCP Incidental take Minimization Measures and mitigation requirement:

1. Incidental Take Minimization Measures (ITMMs) will be issued to the project and must be signed by the project applicant prior to any ground disturbance but no later than six (6) months from receipt of the ITMMs. If ITMMs are not signed within six months, the applicant must reapply for SJMSCP Coverage. Upon receipt of signed ITMMs from project applicant, SJCOG, Inc. staff will sign the ITMMs. This is the effective date of the ITMMs.
2. Under no circumstance shall ground disturbance occur without compliance and satisfaction of the ITMMs.
3. Upon issuance of fully executed ITMMs and prior to any ground disturbance, the project applicant must:

a. Post a bond for payment of the applicable SJMSCP fee covering the entirety of the project acreage being covered (the bond should be valid for no longer than a 6 month period); or
b. Pay the appropriate SJMSCP fee for the entirety of the project acreage being covered; or
c. Dedicate land in-lieu of fees, either as conservation easements or fee title; or
d. Purchase approved mitigation bank credits.

4. Within 6 months from the effective date of the ITMMs or issuance of a building permit, whichever occurs first, the project applicant must:
   a. Pay the appropriate SJMSCP for the entirety of the project acreage being covered; or
   b. Dedicate land in-lieu of fees, either as conservation easements or fee title; or
   c. Purchase approved mitigation bank credits.

Failure to satisfy the obligations of the mitigation fee shall subject the bond to be called.

- Receive your Certificate of Payment and release the required permit

It should be noted that if this project has any potential impacts to waters of the United States [pursuant to Section 404 Clean Water Act], it would require the project to seek voluntary coverage through the unmapped process under the SJMSCP which could take up to 90 days. It may be prudent to obtain a preliminary wetlands map from a qualified consultant. If waters of the United States are confirmed on the project site, the Corps and the Regional Water Quality Control Board (RWQCB) would have regulatory authority over those mapped areas [pursuant to Section 404 and 401 of the Clean Water Act respectively] and permits would be required from each of these resource agencies prior to grading the project site.

If you have any questions, please call (209) 235-0574.

S J C O G, Inc.

San Joaquin County Multi-Species Habitat Conservation & Open Space Plan

555 East Weber Avenue ● Stockton, CA 95202 ● (209) 235-0600 ● FAX (209) 235-0438

SJMSCP HOLD

TO: Local Jurisdiction: Community Development Department, Planning Department, Building Department, Engineering Department, Survey Department, Transportation Department, Other: _____

FROM: Laurel Boyd, SJCOG, Inc.

DO NOT AUTHORIZE SITE DISTURBANCE
DO NOT ISSUE A BUILDING PERMIT
DO NOT ISSUE _____ FOR THIS PROJECT

The landowner/developer for this site has requested coverage pursuant to the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (SJMSCP). In accordance with that agreement, the Applicant has agreed to:

1) SJMSCP Incidental Take Minimization Measures and mitigation requirement:

1. Incidental Take Minimization Measures (ITMMs) will be issued to the project and must be signed by the project applicant prior to any ground disturbance but no later than six (6) months from receipt of the ITMMs. If ITMMs are not signed within six months, the applicant must reapply for SJMSCP Coverage. Upon receipt of signed ITMMs from project applicant, SJCOG, Inc. staff will sign the ITMMs. This is the effective date of the ITMMs.
2. Under no circumstance shall ground disturbance occur without compliance and satisfaction of the ITMMs.
3. Upon issuance of fully executed ITMMs and prior to any ground disturbance, the project applicant must:
   a. Post a bond for payment of the applicable SJMSCP fee covering the entirety of the project acreage being covered (the bond should be valid for no longer than a 6 month period); or
   b. Pay the appropriate SJMSCP fee for the entirety of the project acreage being covered; or
   c. Dedicate land in-lieu of fees, either as conservation easements or fee title; or
   d. Purchase approved mitigation bank credits.
4. Within 6 months from the effective date of the ITMMs or issuance of a building permit, whichever occurs first, the project applicant must:
   a. Pay the appropriate SJMSCP for the entirety of the project acreage being covered; or
   b. Dedicate land in-lieu of fees, either as conservation easements or fee title; or
   c. Purchase approved mitigation bank credits.

   Failure to satisfy the obligations of the mitigation fee shall subject the bond to be called.

Project Title: NOI to Adopt a Negative Declaration for the Tracy Fire Training Facility Project

Landowner/Applicant: City of Tracy

Assessor Parcel #s: 250-030-07

T _____, R_____, Section(s): _____

Local Jurisdiction Contact: D'Evelyn Spekner

The LOCAL JURISDICTION retains responsibility for ensuring that the appropriate Incidental Take Minimization Measures are properly implemented and monitored and that appropriate fees are paid in compliance with the SJMSCP.

16 October 2023

D'Evelyn V. Spekner
City of Tracy
333 Civic Center Plaza
Tracy, CA 95376
Develyn.Spekner@cityoftracy.org

COMMENTS TO REQUEST FOR REVIEW FOR THE NEGATIVE DECLARATION, TRACY FIRE TRAINING FACILITY, CIP 71109 PROJECT, SCH#2023090350, SAN JOAQUIN COUNTY

Pursuant to the State Clearinghouse's 15 September 2023 request, the Central Valley Regional Water Quality Control Board (Central Valley Water Board) has reviewed the *Request for Review for the Negative Declaration* for the Tracy Fire Training Facility, CIP 71109 Project, located in San Joaquin County.

Our agency is delegated with the responsibility of protecting the quality of surface and groundwaters of the state; therefore, our comments will address concerns surrounding those issues.

I. Regulatory Setting

Basin Plan

The Central Valley Water Board is required to formulate and adopt Basin Plans for all areas within the Central Valley region under Section 13240 of the Porter-Cologne Water Quality Control Act. Each Basin Plan must contain water quality objectives to ensure the reasonable protection of beneficial uses, as well as a program of implementation for achieving water quality objectives with the Basin Plans. Federal regulations require each state to adopt water quality standards to protect the public health or welfare, enhance the quality of water and serve the purposes of the Clean Water Act. In California, the beneficial uses, water quality objectives, and the Antidegradation Policy are the State's water quality standards. Water quality standards are also contained in the National Toxics Rule, 40 CFR Section 131.36, and the California Toxics Rule, 40 CFR Section 131.38.

The Basin Plan is subject to modification as necessary, considering applicable laws, policies, technologies, water quality conditions and priorities. The original Basin Plans were adopted in 1975, and have been updated and revised periodically as required, using Basin Plan amendments. Once the Central Valley Water Board has adopted a Basin Plan amendment in noticed public hearings, it must be approved by the State Water Resources Control Board (State Water Board), Office of

Administrative Law (OAL) and in some cases, the United States Environmental Protection Agency (USEPA). Basin Plan amendments only become effective after they have been approved by the OAL and in some cases, the USEPA. Every three (3) years, a review of the Basin Plan is completed that assesses the appropriateness of existing standards and evaluates and prioritizes Basin Planning issues. For more information on the *Water Quality Control Plan for the Sacramento and San Joaquin River Basins*, please visit our website:
http://www.waterboards.ca.gov/centralvalley/water_issues/basin_plans/

Antidegradation Considerations

All wastewater discharges must comply with the Antidegradation Policy (State Water Board Resolution 68-16) and the Antidegradation Implementation Policy contained in the Basin Plan. The Antidegradation Implementation Policy is available on page 74 at:
https://www.waterboards.ca.gov/centralvalley/water_issues/basin_plans/sacsjr_201805.pdf

In part it states:

Any discharge of waste to high quality waters must apply best practicable treatment or control not only to prevent a condition of pollution or nuisance from occurring, but also to maintain the highest water quality possible consistent with the maximum benefit to the people of the State.

This information must be presented as an analysis of the impacts and potential impacts of the discharge on water quality, as measured by background concentrations and applicable water quality objectives.

The antidegradation analysis is a mandatory element in the National Pollutant Discharge Elimination System and land discharge Waste Discharge Requirements (WDRs) permitting processes. The environmental review document should evaluate potential impacts to both surface and groundwater quality.

II. Permitting Requirements

Construction Storm Water General Permit

Dischargers whose project disturb one or more acres of soil or where projects disturb less than one acre but are part of a larger common plan of development that in total disturbs one or more acres, are required to obtain coverage under the General Permit for Storm Water Discharges Associated with Construction and Land Disturbance Activities (Construction General Permit), Construction General Permit Order No. 2009-0009-DWQ. Construction activity subject to this permit includes clearing, grading, grubbing, disturbances to the ground, such as stockpiling, or excavation, but does not include regular maintenance activities performed to restore the original line, grade, or capacity of the facility. The Construction General Permit requires the development and implementation of a Storm Water Pollution Prevention Plan (SWPPP). For more information on the Construction General Permit, visit the State Water Resources Control Board website at:

http://www.waterboards.ca.gov/water_issues/programs/stormwater/constpermits.shtml

Clean Water Act Section 404 Permit

If the project will involve the discharge of dredged or fill material in navigable waters or wetlands, a permit pursuant to Section 404 of the Clean Water Act may be needed from the United States Army Corps of Engineers (USACE). If a Section 404 permit is required by the USACE, the Central Valley Water Board will review the permit application to ensure that discharge will not violate water quality standards. If the project requires surface water drainage realignment, the applicant is advised to contact the Department of Fish and Game for information on Streambed Alteration Permit requirements. If you have any questions regarding the Clean Water Act Section 404 permits, please contact the Regulatory Division of the Sacramento District of USACE at (916) 557-5250.

Clean Water Act Section 401 Permit – Water Quality Certification

If an USACE permit (e.g., Non-Reporting Nationwide Permit, Nationwide Permit, Letter of Permission, Individual Permit, Regional General Permit, Programmatic General Permit), or any other federal permit (e.g., Section 10 of the Rivers and Harbors Act or Section 9 from the United States Coast Guard), is required for this project due to the disturbance of waters of the United States (such as streams and wetlands), then a Water Quality Certification must be obtained from the Central Valley Water Board prior to initiation of project activities. There are no waivers for 401 Water Quality Certifications. For more information on the Water Quality Certification, visit the Central Valley Water Board website at: https://www.waterboards.ca.gov/centralvalley/water_issues/water_quality_certification/

Waste Discharge Requirements – Discharges to Waters of the State

If USACE determines that only non-jurisdictional waters of the State (i.e., "non-federal" waters of the State) are present in the proposed project area, the proposed project may require a Waste Discharge Requirement (WDR) permit to be issued by Central Valley Water Board. Under the California Porter-Cologne Water Quality Control Act, discharges to all waters of the State, including all wetlands and other waters of the State including, but not limited to, isolated wetlands, are subject to State regulation. For more information on the Waste Discharges to Surface Water NPDES Program and WDR processes, visit the Central Valley Water Board website at:https://www.waterboards.ca.gov/centralvalley/water_issues/waste_to_surface_water/

Projects involving excavation or fill activities impacting less than 0.2 acre or 400 linear feet of non-jurisdictional waters of the state and projects involving dredging activities impacting less than 50 cubic yards of non-jurisdictional waters of the state may be eligible for coverage under the State Water Resources Control Board Water Quality Order No. 2004-0004-DWQ (General Order 2004-0004). For more information on the General Order 2004-0004, visit the State Water Resources Control Board website at:

https://www.waterboards.ca.gov/board_decisions/adopted_orders/water_quality/2004/wqo/wqo2004-0004.pdf

Dewatering Permit

If the proposed project includes construction or groundwater dewatering to be discharged to land, the proponent may apply for coverage under State Water Board General Water Quality Order (Low Threat General Order) 2003-0003 or the Central Valley Water Board's Waiver of Report of Waste Discharge and Waste Discharge Requirements (Low Threat Waiver) R5-2018-0085. Small temporary construction dewatering projects are projects that discharge groundwater to land from excavation activities or dewatering of underground utility vaults. Dischargers seeking coverage under the General Order or Waiver must file a Notice of Intent with the Central Valley Water Board prior to beginning discharge.

For more information regarding the Low Threat General Order and the application process, visit the Central Valley Water Board website at: http://www.waterboards.ca.gov/board_decisions/adopted_orders/water_quality/2003/wqo/wqo2003-0003.pdf

For more information regarding the Low Threat Waiver and the application process, visit the Central Valley Water Board website at: https://www.waterboards.ca.gov/centralvalley/board_decisions/adopted_orders/waivers/r5-2018-0085.pdf

Limited Threat General NPDES Permit

If the proposed project includes construction dewatering and it is necessary to discharge the groundwater to waters of the United States, the proposed project will require coverage under a National Pollutant Discharge Elimination System (NPDES) permit. Dewatering discharges are typically considered a low or limited threat to water quality and may be covered under the General Order for *Limited Threat Discharges to Surface Water* (Limited Threat General Order). A complete Notice of Intent must be submitted to the Central Valley Water Board to obtain coverage under the Limited Threat General Order. For more information regarding the Limited Threat General Order and the application process, visit the Central Valley Water Board website at: https://www.waterboards.ca.gov/centralvalley/board_decisions/adopted_orders/general_orders/r5-2016-0076-01.pdf

NPDES Permit

If the proposed project discharges waste that could affect the quality of surface waters of the State, other than into a community sewer system, the proposed project will require coverage under a National Pollutant Discharge Elimination System (NPDES) permit. A complete Report of Waste Discharge must be submitted with the Central Valley Water Board to obtain a NPDES Permit. For more information regarding the NPDES Permit and the application process, visit the Central Valley Water Board website at: https://www.waterboards.ca.gov/centralvalley/help/permit/

If you have questions regarding these comments, please contact me at (916) 464-4684 or Peter.Minkel2@waterboards.ca.gov.

Peter Minkel

Peter Minkel
Engineering Geologist

cc: State Clearinghouse unit, Governor's Office of Planning and Research, Sacramento

San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT

HEALTHY AIR LIVING™

October 26, 2023

D'Evelyn Spekner
City of Tracy
Development Services
333 Civic Center Plaza
Tracy, CA 95376

Project: Tracy Fire Training Facility, CIP 71109

District CEQA Reference No: 20230872

Dear Ms. Spekner,

The San Joaquin Valley Air Pollution Control District (District) has reviewed the Initial Study (IS) and Negative Declaration (ND) from the City of Tracy (City) for the project referenced above. Per the IS/ND, the project consists of a fire training facility to meet the future fire training needs of the South San Joaquin County Fire Authority (Project). The Project is located on the south side of Brishetto Road, approximately 0.09 miles east of N. Chrisman Road.

The District offers the following comments at this time regarding the Project:

1) **Electric On-Site Off-Road and On-Road Equipment**

Since the Project is a fire training facility, it may have the potential to result in increased use of off-road equipment (e.g., forklifts) and on-road equipment (e.g., mobile yard trucks with the ability to move materials). The District recommends that the IS/ND include requirements for project proponents to utilize electric or zero emission off-road and on-road equipment.

2) **Vegetative Barriers and Urban Greening**

There is a residential unit located .25 mile south of the Project. The District suggests the City consider the feasibility of incorporating vegetative barriers and urban greening as a measure to further reduce air pollution exposure on sensitive receptors (e.g., residential unit).

Samir Sheikh
Executive Director/Air Pollution Control Officer

Northern Region
4800 Enterprise Way
Modesto, CA 95356-8718
Tel: (209) 557-6400 FAX: (209) 557-6475

Central Region (Main Office)
1990 E. Gettysburg Avenue
Fresno, CA 93726-0244
Tel: (559) 230-6000 FAX: (559) 230-6061

Southern Region
34946 Flyover Court
Bakersfield, CA 93308-9725
Tel: (661) 392-5500 FAX: (661) 392-5585

www.valleyair.org www.healthyairliving.com

Printed on recycled paper.

While various emission control techniques and programs exist to reduce air quality emissions from mobile and stationary sources, vegetative barriers have been shown to be an additional measure to potentially reduce a population's exposure to air pollution through the interception of airborne particles and the update of gaseous pollutants. Examples of vegetative barriers include, but are not limited to the following: trees, bushes, shrubs, or a mix of these. Generally, a higher and thicker vegetative barrier with full coverage will result in greater reductions in downwind pollutant concentrations. In the same manner, urban greening is also a way to help improve air quality and public health in addition to enhancing the overall beautification of a community with drought tolerant, low-maintenance greenery.

3) Clean Lawn and Garden Equipment in the Community

Since the Project consists of an educational development, gas-powered lawn and garden equipment have the potential to result in an increase of NOx and PM2.5 emissions. Utilizing electric lawn care equipment can provide residents with immediate economic, environmental, and health benefits. The District recommends the Project proponent consider the District's Clean Green Yard Machines (CGYM) program which provides incentive funding for replacement of existing gas powered lawn and garden equipment. More information on the District CGYM program and funding can be found at: http://valleyair.org/grants/cgym-commercial.htm.

4) On-Site Solar Deployment

It is the policy of the State of California that renewable energy resources and zero-carbon resources supply 100% of retail sales of electricity to California end-use customers by December 31, 2045. While various emission control techniques and programs exist to reduce air quality emissions from mobile and stationary sources, the production of solar energy is contributing to improving air quality and public health. The District suggests that the City consider incorporating solar power systems as an emission reduction strategy for the Project.

5) Electric Infrastructure

To support and accelerate the installation of electric vehicle charging equipment and development of required infrastructure, the District offers incentives to public agencies, businesses, and property owners of multi-unit dwellings to install electric charging infrastructure (Level 2 and 3 chargers). The purpose of the District's Charge Up! Incentive program is to promote clean air alternative-fuel technologies and the use of low or zero-emission vehicles. The District recommends that the City and project proponents install electric vehicle chargers at project sites, and at strategic locations.

Please visit www.valleyair.org/grants/chargeup.htm for more information.

6) District Rules and Regulations

The District issues permits for many types of air pollution sources, and regulates some activities that do not require permits. A project subject to District rules and regulations would reduce its impacts on air quality through compliance with the District's regulatory framework. In general, a regulation is a collection of individual rules, each of which deals with a specific topic. As an example, Regulation II (Permits) includes District Rule 2010 (Permits Required), Rule 2201 (New and Modified Stationary Source Review), Rule 2520 (Federally Mandated Operating Permits), and several other rules pertaining to District permitting requirements and processes.

The list of rules below is neither exhaustive nor exclusive. Current District rules can be found online at: www.valleyair.org/rules/1ruleslist.htm. To identify other District rules or regulations that apply to future projects, or to obtain information about District permit requirements, the project proponents are strongly encouraged to contact the District's Small Business Assistance (SBA) Office at (559) 230-5888.

6a) District Rules 2010 and 2201 - Air Quality Permitting for Stationary Sources

Stationary Source emissions include any building, structure, facility, or installation which emits or may emit any affected pollutant directly or as a fugitive emission. District Rule 2010 (Permits Required) requires operators of emission sources to obtain an Authority to Construct (ATC) and Permit to Operate (PTO) from the District. District Rule 2201 (New and Modified Stationary Source Review) requires that new and modified stationary sources of emissions mitigate their emissions using Best Available Control Technology (BACT).

This Project may be subject to District Rule 2010 (Permits Required) and Rule 2201 (New and Modified Stationary Source Review) and may require District permits. Prior to construction, the Project proponent should submit to the District an application for an ATC. For further information or assistance, the project proponent may contact the District's SBA Office at (559) 230-5888.

6b) District Rule 9510 - Indirect Source Review (ISR)

The purpose of District Rule 9510 is to reduce the growth in both NOx and PM emissions associated with development and transportation projects from mobile and area sources; specifically, the emissions associated with the construction and subsequent operation of development projects. The ISR Rule requires developers to mitigate their NOx and PM emissions by incorporating clean air design elements into their projects. Should the proposed development project clean air design elements be insufficient to meet the required emission

reductions, developers must pay a fee that ultimately funds incentive projects to achieve off-site emissions reductions.

Per Section 5.0 of the ISR Rule, an Air Impact Assessment (AIA) application is required to be submitted no later than applying for project-level approval from a public agency.

District staff is unable to determine rule applicability to the Project and recommend that the project proponent contact the District by phone at (559) 230-5900 or by email at ISR@valleyair.org.

Information about how to comply with District Rule 9510 can be found online at: http://www.valleyair.org/ISR/ISRHome.htm.

The AIA application form can be found online at: http://www.valleyair.org/ISR/ISRFormsAndApplications.htm.

6c) District Rule 4601 (Architectural Coatings)

The Project may be subject to District Rule 4601 since it may utilize architectural coatings. Architectural coatings are paints, varnishes, sealers, or stains that are applied to structures, portable buildings, pavements or curbs. The purpose of this rule is to limit VOC emissions from architectural coatings. In addition, this rule specifies architectural coatings storage, cleanup and labeling requirements. Additional information on how to comply with District Rule 4601 requirements can be found online at: http://www.valleyair.org/rules/currntrules/r4601.pdf

6d) District Regulation VIII (Fugitive PM10 Prohibitions)

The project proponent may be required to submit a Construction Notification Form or submit and receive approval of a Dust Control Plan prior to commencing any earthmoving activities as described in Regulation VIII, specifically Rule 8021 – *Construction, Demolition, Excavation, Extraction, and Other Earthmoving Activities.*

Should the project result in at least 1-acre in size, the project proponent shall provide written notification to the District at least 48 hours prior to the project proponents intent to commence any earthmoving activities pursuant to District Rule 8021 (Construction, Demolition, Excavation, Extraction, and Other Earthmoving Activities). Also, should the project result in the disturbance of 5-acres or more, or will include moving, depositing, or relocating more than 2,500 cubic yards per day of bulk materials, the project proponent shall submit to the District a Dust Control Plan pursuant to District Rule 8021 (Construction, Demolition, Excavation, Extraction, and Other Earthmoving Activities). For

additional information regarding the written notification or Dust Control Plan requirements, please contact District Compliance staff at (559) 230-5950.

The application for both the Construction Notification and Dust Control Plan can be found online at:
https://www.valleyair.org/busind/comply/PM10/forms/DCP-Form.docx

Information about District Regulation VIII can be found online at:
http://www.valleyair.org/busind/comply/pm10/compliance_pm10.htm

6e) Other District Rules and Regulations

The Project may also be subject to the following District rules: Rule 4102 (Nuisance) and Rule 4641 (Cutback, Slow Cure, and Emulsified Asphalt, Paving and Maintenance Operations).

7) District Comment Letter

The District recommends that a copy of the District's comments be provided to the Project proponent.

If you have any questions or require further information, please contact Ryan Grossman by e-mail at Ryan.grossman@valleyair.org or by phone at (559) 230-6569.

Sincerely,

Brian Clements
Director of Permit Services



For: Mark Montelongo
Program Manager

May 21, 2024

Agenda Item 3.C

RECOMMENDATION

The Finance Committee recommends that (1) the City Council 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, 2024, the proposed Citywide Master Fee Schedule and (b) rescinding, effective as of July 1, 2024, the existing Citywide Master Fee Schedule adopted by Resolution 2023-048.

EXECUTIVE SUMMARY

As part of the consolidated Citywide Master Fee Schedule update, administrative clerical adjustments and clarifications have been proposed, such as updating language including Appendix, Fee Names, and Table of Contents, as well as deleting programs that are no longer offered, and adding new programs and fees.

Included in this update is the annual adjustment for inflation. Existing citywide fees have been adjusted by 2.6%. The rates are based on the Consumer Price Index (CPI) for the San Francisco-Oakland-Hayward Metropolitan Area from December of the prior year, December 2023, 2.6%. Exceptions to this adjustment are those fees that are legislatively set, are set by contractors providing a service, or are traditionally not increased in deference to program affordability (primarily recreation programs and cultural arts programs).

On April 29, 2024, the Tracy Finance Committee reviewed the proposed Master Fee Schedule update, and recommended the City Council's adoption after public hearing.

BACKGROUND

In May 2011, the City Council consolidated citywide fees in a master schedule, centralizing fees in a single document. This action established consistency and clarity regarding the fee update process, which included an automatic cost of living adjustment.

Under Tracy Municipal Code Section 3.36.010, City Council must establish and update City fee schedules for services provided by the City. The adoption of the City Fee Schedule is permitted under the California Constitution, Article XIIIC, including the exceptions under Article XIIIC, Section 1(e). The City has given notice of the proposed Schedule update as required by Government Code Section 66016 to interested parties who filed a written request for such notice with the City. Notice has also been given by publication, pursuant to Government Code Sections 66018 and 6062(a).

On April 29, 2024, the Tracy Finance Committee reviewed the proposed Master Fee Schedule update, and recommended the City Council's adoption after public hearing.

ANALYSIS

The proposed Fee Schedule reflects fees charged for City services. It 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
- Rates established by separate agreements (i.e., Tracy Unified School District and performance artists)

Proposed FY24/25 Master Fee Schedule - New Fees and Corrections

The following list summarizes the modifications to the proposed FY24/25 Master Fee Schedule:

New Fees, Activities and Services

Parks Recreation and Community Services – Community Facilities

- Sports Facilities –
  - Unauthorized Permit Use fee - New Fee that has been piloted with our sports user groups if they violate their permit (violates policies in Sports Fields Reservation Handbook)
  - Field damage deposit added.
  - Concession Stand – Monthly rental rate added.
- Joe Wilson Pool –
  - Recreational Swim Pavilion Rental fee added.
- Airport Rentals–
  - Airport Parking Lot Rental Area fee added.
  - Airport Hangar Rental Rates added (fees were previously brought to Council separate from the Master Fee Schedule).
- Co-Sponsorship Events added (no fee)

Parks Recreation and Community Services – Recreation Division

- Administration - Lost, Broken or Stolen Equipment Replacement fee added
- Special Interest Classes – Roughly 77 new classes added.
- Seniors – Indoor Pickleball added
- Youth Sports – Tracy Tots Baby Gym added
- Aquatics – Advanced Swim, Water Polo Fundamental Clinics and Lifeguard training classes added.

Parks Recreation and Community Services – Grand Theatre

- New Café Rental available with rental of EK Theatre, Studio Theatre & Lobby Areas.
    - New fees based on average revenues from past Café concessions use. Non-profit fees are 50% less than Commercial.
    - Concessionaire Agreement (per month) added.
- Additional Misc. rental items added – Wireless Microphone & Stand, Monitor Wedges, Extension Cords, Grand Piano, BluRay player.
- Labor Fees – Security Personnel fee added.
- Additional Fees – Global Music Rights License fee added. New fee assessed by Global Music Rights, LLC to all concerts.
- Arts & Education –
    - Program Transaction Fees added – previously missing from schedule. Added to match Recreation Services Admin fee.
    - Program Lab fees added – Cost recovery for the maintenance and replacement of specialized amenities as well as supplies.
- Juried Exhibition Entry Fee added – comparative to industry standards in the Grand Galleries. These fees are paid by artists seeking to be in competitive exhibitions, considered prestigious.

Community and Economic Development – Planning Division

- A separate Temporary Use Permit fee was added to provide a fee at half the cost for Non-Profits.

Community and Economic Development – Building Division

- Fire Flow Test Permit – Fee charged by the consultant.
- Reinstatement Fee for Expired Permits – No current fee to recap any revenues for expired permits.

Public Works

- Special Event (non-profit) - This now matches other non-profit fees which are 50% less.

Public Works - Engineering

- A note added to fees that are subject to 4th and Subsequent Plan Check fee

Master Fee Schedule Administrative Corrections and Clarifications

Parks Recreation and Community Services – Community Facilities

- CPI increase per fee - If the CPI increase is $1 or less, a $1 increase will be applied to that fee (excluding sports field fees)
- Tracy Sports Complex Alcohol deposit fee updated to reflect the same fee as all other City facility alcohol deposits.
- Tracy Civic Center Rental fees updated to match square footage and additional amenities.
- Park and Picnic areas – 2 hr minimum rental added. Per Facility Reservation Handbook, reservations require a 2hr minimum rental.
- Tennis Court fees – Categories updated to read: Practice/Games, League

and Tournament rates.
- Lolly Hansen classroom combo fees adjusted to reflect Classroom 1 + 2 rates added together.
- Lolly Hansen Deposits adjusted to match all other facility deposits.
- Sports Facilities –
    - No show occurrence fee verbiage updated.
    - Fees separated by Private/Commercial.
    - Premium Field fees increased from Standard Field rate based off of research from surrounding cities and following the same method between private and commercial field rates.
    - Lights fee updated to realign with the current lighting costs.

Parks Recreation and Community Services – Recreation Division
- Update to fees set by Instructors.
- Ping Pong Card updated to 24 Visit Pass
- Non-Resident removed – fees not needed as it is standard 10% increase.
- Aquatics –
    - Parent Tot Swim Lessons adjusted to per person/per 2-week session.
    - Learn to Swim updated to Swim Skills (Levels 1-4)
    - Senior Water Exercise 10 Visit Pass added minimum & maximum per pass.
    - Private Swim Lesson adjusted to Saturdays only.

Parks Recreation and Community Services – Grand Theatre
- Removal of services/equipment no longer offered.

Community and Economic Development – Planning Division
- Fee Type language corrections.
- Additional notes and verbiage added for clarification on regarding cost.

PW – Engineering
- Removal of fees no longer accepted.
- Additional notes and verbiage added for clarification.

In May 2022, the NBS User Fee Study was completed, and feedback was provided to staff. 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 excluded facility and equipment rental rates, as well as most fines and penalties imposed by the City for violations to its requirements or codes.

In March 2023, the City Council adopted the Citywide Master Fee Schedule, reflecting a cost recovery target of 72%; with amendments. 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 for Council's consideration the fee amounts with the 2.6% inflationary increase as presented in the Schedule.

The City of Tracy will continue to amend the Master Fee Schedule on an annual basis and, in keeping with Council's actions, apply an automatic inflationary adjustment calculated since the fees were last set, except for: (1) Recreation fees (2) Cultural Arts and Grand Theatre fees; and (3) other fees set by applicable state or federal legislation. These inflationary adjustments have historically been applied to the fees, which were then rounded to the nearest dollar except where cents are already used.

The adoption of this Schedule is permitted under the California Constitution, Article XIIIC, including the exceptions under Article XIIIC, Section 1(e). The City has given notice of the proposed Schedule update as required by Government Code Section 66016 to interested parties who filed a written request for such notice with the City. Notice has also been given by publication, pursuant to Government Code Sections 66018 and 6062a.

FISCAL IMPACT

The City is currently recovering approximately 72% of the total costs associated with providing fee related services. The proposed Master Fee Schedule includes a 2.6% inflationary increase, and reduces fees charged to non-profits. With these proposed changes, the City expects to recover approximately 71% of the total costs associated with providing fee related services. The annual update of the schedule is aimed to align City fees with the cost of providing services, however, consideration is given to balance the cost of services with costs that are affordable to the community.

The fees as shown in the Schedule, if approved, will go into effect on July 1, 2024 with the exception of Community and Economic Development fees which are effective on July 22, 2024.

STRATEGIC PLAN

This item is in accordance with Council Governance Strategic Plan, Goal 3: "Ensure Short and Long-Term Financial Sustainability."

CEQA DETERMINATION

This item is exempt from review under the California Environmental Quality Act because this item proposes an organizational or administrative activity that will not result in a direct or indirect physical change in the environment and is therefore not a "project." (CEQA Guidelines §§15378(b)(5)).

ACTION REQUESTED OF THE CITY COUNCIL

The Tracy Finance Committee recommends that (1) the City Council 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, 2024, the proposed Citywide Master Fee Schedule and (b) rescinding, effective as of July 1, 2024, the existing Citywide Master Fee Schedule adopted by Resolution 2023-048.

Prepared by: Sara Cowell, Director of Finance

Reviewed by: Bijal Patel, City Attorney
Karin Schnaider, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

Attachments:

Attachment A: Proposed FY2024-25 Master Fee Schedule
Attachment B: Master Fee Schedule Power Point Presentation

CITY OF TRACY
CITYWIDE
MASTER FEE SCHEDULE

Proposed: March 21, 2024
Adopted:
Resolution No.:
Fee Implementation Date:

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 2024-2025 the inflationary rate is 2.6%. 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.

CITY OF TRACY
Think Inside the Triangle™

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Finance Department

Fee No.	Fee Name	Fee Type	Notes	FY 23/24 Fee	FY24/25 Proposed Fee	Difference
1	Business Licenses					
	Transfer, Assignment or Duplication Fee	Duplication	[1]	**$14 Per Account/ Per Year**	**$17 Per Account/ Per Year**	**$ 3**
	State Disability Access Fee	Application or Renewal	[2] [3]	**$ 4**	**$ 4**	**$ -**
2	Transient Occupancy Tax (TOT)	Annual	[1]	**$650 Per Property/ Per Year**	**$667 Per Property/ Per Year**	**$ 17**
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

[3] Not Subject to Inflationary Adjustment

City Manager's Office - City Clerk Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
1	Annual Subscriptions (City Council, Planning Commission)		[4]			
	Agendas (Per Month)	Per Month		**Free Availability Online**	**Free Availability Online**	-
	Disc/Agenda	Per Disc/Agenda				
	Minutes	Per Page				
2	Appeals					
	to City Council	Per Appeal	[1]	**$ 204**	**$ 209**	**$ 5**
	to City Manager	Per Appeal	[2]	**$ 204**	**$ 209**	**$ 5**
	by Impartial Hearing Officer	Per Appeal	[3]	**$ 204**	**$ 209**	**$ 5**
				May be Shared Equally by all Parties	**May be Shared Equally by all Parties**	-
3	Document Certification (Per Document)	Document		**$ 31**	**$ 32**	**$ 1**
4	Photocopies					
	Paper Copy*	Per Page	[4] [8]	**$ 0.10**	**$ 0.10**	$ -
	Oversized Copy	Per Page		**At Cost**	**At Cost**	-
	Maps*	Per Page		**At Cost**	**At Cost**	-
5	Duplicating Recording of Public Meeting					
	Video or Audio	Each		**At Cost**	**At Cost**	-
	DVD of Council Meeting	Each		**At Cost**	**At Cost**	-
6	Lobbyist					
	Registration	Each	[5]	**$ 123**	**$ 126**	**$ 3**
	Annual Renewal	Each	[6]	**$ 61**	**$ 63**	**$ 2**
7	Notary Fee		[7] [8]	**$ 15**	**$ 15**	$ -
8	Project Requiring Municipal Code Update	Each		**$ 4,090**	**$ 4,197**	**$ 107**
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**	**$ 126**	**$ 3**

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
[8] Not Subject to Inflationary Adjustment

City Manager's Office - Community Engagement & Public Information
CCTV Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
1	Project Application Review Fee	Per Project	[1]	$ 164	$ 168	$ 4
2	Video Production Fee					
	Single HD Camera with Operator (up to 8 Hours)	Per Day		$ 602	$ 618	$ 16
	Single HD Camera with Operator (Half Day - 4 Hours with 4 Hour Minimum)	Per Half Day (4 Hour Min.)		$ 342	$ 351	$ 9
3	City Council Chamber Recording with 2 Crew (Includes 4 SD Cameras)					
	Full Day (up to 8 Hours)	Per Day		$ 1,122	$ 1,151	$ 29
	Half Day (up to 4 Hours; 4 Hours Minimum)	Per Day (4 Hour Min.)		$ 602	$ 618	$ 16
4	Post Production Services					
	Editing Suite with Editor	Per Hour		$ 65	$ 67	$ 2
5	General Crew Services including, but not limited to: Producer, Teleprompter Operator, Audio Tech, Extra, Studio Crew, Grip, etc…					
	PT City Staff - During [City] Business Hours	Per Person / Per Hour (1 Hour Min.)		$ 65	$ 67	$ 2
	PT City Staff - After [City] Business Hours	Per Person / Per Hour (1 Hour Min.)		$ 77	$ 79	$ 2
6	Miscellaneous Services					
	Additional HD Cameras - Fixed	Per Use		$ 130	$ 133	$ 3
	Additional HD Cameras - Manned	Per Person / Per Hour (1 Hour Min.)		$ 65	$ 67	$ 2
	Graphics	Each	[2]	Actual Cost	Actual Cost	-
	Audio Files	Each	[2]	Actual Cost	Actual Cost	-
7	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 (1 Hour Min.)		$ 164	$ 168	$ 4
	Part Time	Per Hour (1 Hour Min.)		$ 65	$ 67	$ 2

Notes

[1] Project Scoping Services are Provided Free of Charge; Application Applies once Project is Formally Initiated

[2] City will Pass-through Vendor Expense to Applicant Directly

Community & Economic Development - Planning Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
I	**PLANNING Application Review AND APPROVALS**					
1	Adult Business Use Permit	Per Application		$ 3,776	$ 3,874	$ 98
2	Annexation	Per Application	[7]	$ 41,932	$ 43,022	$ 1,090
3	**Appeals**					
	Appeal to City Council	Per Appeal		$ 5,368	$ 5,507	$ 139
	Appeal to Planning Commission	Per Appeal		$ 4,739	$ 4,862	$ 123
4	**Cannabis (Fees effective 7/20/20 per Reso # 20-124)**					
	Business Permit Application Fee	Per Application		$ 10,800	$ 11,081	$ 281
	Background Investigation Fee	Per Owner		$ 300	$ 308	$ 8
	Business Permit Fee	Per Year		$ 3,900	$ 4,001	$ 101
	Business Permit Renewal Application Fee	Per Application		$ 13,100	$ 13,441	$ 341
	Renewal Background Investigation Fee	Per Owner		$ 100	$ 103	$ 3
	Employee Permit Fee (Initial)	Per Employee		$ 300	$ 308	$ 8
	Employee Permit Renewal Fee	Per Employee		$ 100	$ 103	$ 3
5	Conditional Use Permit	Per Application		$ 5,817	$ 5,969	$ 152
6	Conditional Use Permit (Non-Profit Organizations)	Per Application		$ 5,817	$ 5,969	$ 152
7	**Development Review**					
	Class A	Per Application	[1]	$ 10,409	$ 10,680	$ 271
	Class B	Per Application	[2]	$ 8,629	$ 8,854	$ 225
8	Ellis Specific Plan Pattern Book Certification	Per Application	[5]	$ 4,670	$ 4,791	$ 121
9	**ENVIRONMENTAL**					
	Environmental Assessment	Per Project	[3]	$ 619	$ 636	$ 17
	Environmental Initial Study	Per Project		**Per Cost Recovery agrmt.**	**Per Cost Recovery agrmt.**	-
	Negative Declaration	Per Project		**Per Cost Recovery agrmt.**	**Per Cost Recovery agrmt.**	-
	Environment Impact Report	Per Project	[7]	$ 31,942	$ 32,772	$ 830
	Environmental Consistency Analysis	Per Project	[7]	$ 4,051	$ 4,156	$ 105
10	General Plan Amendment	Per Application	[7]	$ 5,450	$ 5,592	$ 142
11	Lot Line Adjustment	Per Application		$ 4,015	$ 4,120	$ 104
12	**MICRO-IMAGING FEES**		[4]			
	11" X 17" and Smaller (B&W or Grayscale with 2" Field Index)	Each		$ 0.08	$ 0.08	$ -
	Larger than 11" X 17" (B&W or Grayscale with a Two-Field Index)	Each		$ 0.88	$ 0.88	$ -
	11" X 17" and Smaller (Color with Two-Field Index)	Each		$ 0.15	$ 0.15	$ -
	18" X 24" Color Document with a Two-Field Index	Each		$ 0.53	$ 0.53	$ -
	24" X 36" Color Document with a Two-Field Index	Each		$ 2.00	$ 2.00	$ -
13	Noise Ordinance Variation	Per Application		$ 7,675	$ 7,875	$ 200
14	Planned Unit Development	Per Application		$ 8,718	$ 8,945	$ 227

Community & Economic Development - Planning Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
15	Planned Unit Development Amendment	Per Application		$ 6,237	$ 6,399	$ 162
16	Planning Commission Determination	Per Determination		$ 5,280	$ 5,417	$ 137
	PLANNING DIVISION Application FEES					
17	Residential Growth Allotment	Per Application	[3]	$ 3,919	$ 4,021	$ 102
18	**Sign Permit**		[3]			
	Master Sign Program	Per Program		$ 1,495	$ 1,533	$ 38
	Sign Permit					
	Single Sign	Per Permit		$ 472	$ 484	$ 12
	Multiple Signs	Per Permit		$ 629	$ 646	$ 17
19	**Specific Plan**					
	Specific Plan Amendment-Text only	Per Project		$ 4,780	$ 4,904	$ 124
	New Specifc Plan or Major Amendment-(Zoning and/or map amendment)	Per Cost Recovery Agreement		$ 19,134	$ 19,632	$ 497
20	Temporary Use Permit	Per Application	[3]	$ 1,255	$ 1,288	$ 33
	Temporary Use Permit (Non-Profit)	Per Application	[3]	$ 628	$ 644	$ 16
21	**TENTATIVE Map / TENTATIVE Map Amendment**					
	Parcel Map	Per Application		$ 8,640	$ 8,865	$ 225
	5 - 100 Lots	Per Application		$ 15,605	$ 16,011	$ 406
	Over 100 Lots	Per Application		$ 28,666	$ 29,412	$ 745
22	Time Extension	Per Application	[3]	$ 2,969	$ 3,047	$ 77
23	Variance	Per Application		$ 2,596	$ 2,663	$ 67
24	Reasonable Accommodation (Accessibility)	Per Application		$ 2,091	$ 2,145	$ 54
25	**ZONING**					
	Zone Change	Per Application		$ 3,618	$ 3,712	$ 94
	Zone Text Amendment	Per Application		$ 4,090	$ 4,197	$ 107
	Zoning Research Letter	Per Letter	[3]	$ 393	$ 404	$ 11
26	Copies - City Documents and Maps			**See City Clerk**	**See City Clerk**	-
27	4th and Subsequent Review	Per Submittal	[6]	**Set by City Policy**	**Set by City Policy**	-
28	General Plan Maintenance and Update			**.05% of Building Valuation**	**.05% of Building Valuation**	-
II	**BUILDING PLAN CHECK BY PLANNING**					
29	**Single Family**					
	Miscellaneous Minor Improvements	Per Permit		$ 79	$ 81	$ 2
	Plot Plan / Production Plan Review	Per Plot Plan		$ 79	$ 81	$ 2
	New Model Home	Per New Model Home		$ 315	$ 323	$ 8

Community & Economic Development - Planning Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
30	**Multi-family/ Commercial/ Industrial**					
	New Building / Shell Project	Per Application		**$ 629**	**$ 646**	**$ 17**
	Tenant Improvement	Per Application		**$ 315**	**$ 323**	**$ 8**
31	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**	**$ 161**	**$ 4**

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.

[7] Fee amount plus CRA for consultant cost

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 Director of Community and Economic Development 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.

Community & Economic Development - Building Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
I	**BUILDING PERMIT FEES**					
1	**Building Permit/Inspection - Residential**					
	$ 500	Base Fee @ $500		$ 106	$ 108	$ 2
	Each Additional $100 or Fraction thereof	Each Add 'l $100		$ 16.43	$ 16.86	$ 0.43
	$ 2,000	Base Fee @ $2,000		$ 352	$ 361	$ 9
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 35.20	$ 36.12	$ 0.92
	$ 10,000	Base Fee @ 10,000		$ 634	$ 650	$ 16
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 21.12	$ 22	$ 1
	$ 25,000	Base Fee @ 25,000		$ 950	$ 975	$ 25
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 31.58	$ 32.40	$ 0.82
	$ 50,000	Base Fee @ $50,000		$ 1,740	$ 1,785	$ 45
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 11.62	$ 11.92	$ 0.30
	$ 150,000	Base Fee @ $150,000		$ 2,902	$ 2,977	$ 75
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 3.89	$ 3.99	$ 0.10
	$ 350,000	Base Fee @ $350,000		$ 3,680	$ 3,776	$ 96
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 3.70	$ 3.79	$ 0.10
	$ 550,000	Base Fee @ 550,000		$ 4,420	$ 4,534	$ 114
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 8.04	$ 8.24	$ 0.21
2	**Building Plan Check - Residential**					
	$ 500	Base Fee @ $500		$ 70	$ 72	$ 2
	Each Additional $1000 or Fraction thereof	Each Add 'l $100		$ 4.69	$ 4.82	$ 0.12
	$ 2,000	Base Fee @ $2,000		$ 141	$ 144	$ 3
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 17.60	$ 18.06	$ 0.46
	$ 10,000	Base Fee @ $10,000		$ 282	$ 289	$ 7
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 9.39	$ 9.63	$ 0.24
	$ 25,000	Base Fee @ 25,000		$ 422	$ 433	$ 11
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 11.27	$ 11.56	$ 0.29
	$ 50,000	Base Fee @ $50,000		$ 704	$ 722	$ 18
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 4.22	$ 4.33	$ 0.11
	$ 150,000	Base Fee @ $150,000		$ 1,127	$ 1,156	$ 29
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 5.63	$ 5.78	$ 0.15

Community & Economic Development - Building Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	$ 350,000	Base Fee @ $350,000		$ 2,253	$ 2,312	$ 59
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 4.22	$ 4.33	$ 0.11
	$ 550,000	Base Fee @ 550,000		$ 3,098	$ 3,178	$ 80
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 5.63	$ 5.78	$ 0.15
3	**Building Plan Check for Identical Building / Repeat Tract House / Plot Plans**	Flat		$ 704	$ 722	$ 18
4	**Building Permit/Inspection - Commercial/Multi-family/Industrial**					
	$ 10,000	Base Fee up $10,000		$ 1,636	$ 1,678	$ 42
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 93.88	$ 96.32	$ 2.44
	$ 25,000	Base Fee @ 25,000		$ 3,044	$ 3,123	$ 79
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 75.29	$ 77.25	$ 1.96
	$ 50,000	Base Fee @ $50,000		$ 4,926	$ 5,054	$ 128
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 140.41	$ 144.06	$ 3.65
	$ 100,000	Base Fee @ $100,000		$ 11,947	$ 12,257	$ 310
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 7.52	$ 7.72	$ 0.20
	$ 500,000	Base Fee @ 500,000		$ 14,956	$ 15,344	$ 388
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 14.15	$ 14.52	$ 0.37
	$ 1,000,000	Base Fee @ 1,000,000		$ 22,031	$ 22,604	$ 573
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 1.77	$ 1.81	$ 0.05
	$ 5,000,000	Base Fee @ 5,000,000		$ 29,107	$ 29,864	$ 757
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 2.82	$ 2.90	$ 0.07
	$ 10,000,000	Base Fee @ 10,000,000		$ 43,224	$ 44,348	$ 1,124
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 3.03	$ 3.10	$ 0.08
5	**Building Plan Check - Commercial/Multi-family/Industrial**					
	$ 10,000	Base Fee up $10,000		$ 282	$ 289	$ 7
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 18.78	$ 19.26	$ 0.49
	$ 25,000	Base Fee @ 25,000		$ 563	$ 578	$ 15
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 11.27	$ 11.56	$ 0.29
	$ 50,000	Base Fee @ $50,000		$ 845	$ 867	$ 22
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 16.90	$ 17.34	$ 0.44
	$ 100,000	Base Fee @ $100,000		$ 1,690	$ 1,734	$ 44

Community & Economic Development - Building Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 4.22	$ 4.33	$ 0.11
	$ 500,000	Base Fee @ 500,000		$ 3,380	$ 3,467	$ 87
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 3.38	$ 3.47	$ 0.09
	$ 1,000,000	Base Fee @ 1,000,000		$ 5,069	$ 5,201	$ 132
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 0.63	$ 0.65	$ 0.02
	$ 5,000,000	Base Fee @ 5,000,000		$ 7,604	$ 7,802	$ 198
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 0.68	$ 0.69	$ 0.02
	$ 10,000,000	Base Fee @ 10,000,000		$ 10,984	$ 11,269	$ 285
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 0.77	$ 0.79	$ 0.02
6	**Building Permit/Inspection - TI**					
	$ 10,000	Base Fee up $10,000		$ 1,839	$ 1,887	$ 48
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 75.10	$ 77.05	$ 1.95
	$ 25,000	Base Fee @ 25,000		$ 2,965	$ 3,042	$ 77
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 57.73	$ 59.23	$ 1.50
	$ 50,000	Base Fee @ $50,000		$ 4,409	$ 4,523	$ 114
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 57.03	$ 58.51	$ 1.48
	$ 100,000	Base Fee @ $100,000		$ 7,260	$ 7,449	$ 189
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 17.69	$ 18.15	$ 0.46
	$ 500,000	Base Fee @ 500,000		$ 14,336	$ 14,709	$ 373
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 5.70	$ 5.85	$ 0.15
	$ 1,000,000	Base Fee @ 1,000,000		$ 17,188	$ 17,634	$ 446
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 1.06	$ 1.09	$ 0.03
	$ 5,000,000	Base Fee @ 5,000,000		$ 21,447	$ 22,005	$ 558
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 4.29	$ 4.40	$ 0.11
7	**Building Plan Check - TI**					
	$ 10,000	Base Fee up $10,000		$ 282	$ 289	$ 7
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 18.78	$ 19.26	$ 0.49
	$ 25,000	Base Fee @ 25,000		$ 563	$ 578	$ 15
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 11.27	$ 11.56	$ 0.29
	$ 50,000	Base Fee @ $50,000		$ 845	$ 867	$ 22

Community & Economic Development - Building Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 16.90	$ 17.34	$ 0.44
	$ 100,000	Base Fee @ $100,000		$ 1,690	$ 1,734	$ 44
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 4.22	$ 4.33	$ 0.11
	$ 500,000	Base Fee @ 500,000		$ 3,380	$ 3,467	$ 87
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 3.38	$ 3.47	$ 0.09
	$ 1,000,000	Base Fee @ 1,000,000		$ 5,069	$ 5,201	$ 132
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 0.63	$ 0.65	$ 0.02
	$ 5,000,000	Base Fee @ 5,000,000		$ 7,604	$ 7,802	$ 198
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 1.52	$ 1.56	$ 0.04
II	**MISCELLANEOUS MINOR PERMITS**					
8	**Demolition**					
	Residential	Each		$ 176	$ 181	$ 5
	Commercial	Each		$ 282	$ 289	$ 7
9	**Fire Sprinkler - Residential**					
	Plan Check	Each		$ 282	$ 289	$ 7
	Permit/Inspection	Each		$ 246	$ 253	$ 7
10	**Patio Covers**					
	Residential	Each		$ 422	$ 433	$ 11
11	**Residential Pools**					
	Fiberglass/Above Ground	Each		$ 387	$ 397	$ 10
	Gunite (Incl. Master. Plan str. Review Average Fee)	Each		$ 1,127	$ 1,156	$ 29
	Remodel/Repair	Each		$ 317	$ 325	$ 8
12	**Post Fire Pre-permit Inspection**					
	Residential	Each		$ 317	$ 325	$ 8
	Commercial	Each		$ 458	$ 470	$ 12
13	**Residential Remodel (Includes MEP Fees)**					
	Kitchen/Bath < $10,000	Each		$ 774	$ 795	$ 21
	Kitchen/Bath $10,000 - $20,000	Each		$ 986	$ 1,011	$ 25
	Kitchen/Bath $21,000 - $30,000	Each		$ 1,056	$ 1,084	$ 28
14	**Non-Structural Re-Roof**					
	Residential	Each		$ 246	$ 253	$ 7
	Commercial	Each		**See Building valuation (Fee #6 & #7)**	**See Building valuation (Fee #6 & #7)**	-
15	**Illuminated & Non-illuminated Wall Signs ONLY**	Each		$ 317	$ 325	$ 8
16	**Residential Stucco Siding**	Each		$ 176	$ 181	$ 5
17	**Res. Non-Habitable Accessory / Storage Structures**	Each		$ 458	$ 470	$ 12
18	**Temporary Office Trailers**	Each		$ 422	$ 433	$ 11

Community & Economic Development - Building Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
19	**Residential Windows/Doors - Retrofit/Like-for-Like ONLY (Size, Operation and Location)**					
	5 or Less	Each		$ 141	$ 144	$ 3
	6-10	Each		$ 176	$ 181	$ 5
	11-15	Each		$ 211	$ 217	$ 6
	16+	Each		See Building valuation (Fee #1 & #2)	See Building valuation (Fee #1 & #2)	-
20	**Fire Flow Test Permit**	Flat		$ -	$ 440	$ 440
III	**ELECTRICAL PERMIT FEES**					
21	**Base Permit**	Per Project		$ 35	$ 36	$ 1
	PER UNIT FEE SCHEDULE:					
22	**Receptacles, Switches, Lighting Outlets, and Circuits**					
	Residential					
	First 5 or Portion thereof	Flat		$ 106	$ 108	$ 2
	Each Additional 5 or Portion thereof	Flat		$ 70	$ 72	$ 2
	Added Circuits	Each		$ 35	$ 36	$ 1
	Commercial					
	First 5 or Portion thereof	Flat		$ 211	$ 217	$ 6
	Each Additional 5 or Portion thereof	Flat		$ 141	$ 144	$ 3
	Added Circuits	Each		$ 141	$ 144	$ 3
23	**Installation, Alteration, or Relocation of each Electrical Service:**					
	Residential					
	Up to 200 Amps	Each		$ 141	$ 144	$ 3
	Over 200 Amps	Each		$ 176	$ 181	$ 5
	Commercial					
	Up to 200 Amps	Each		$ 211	$ 217	$ 6
	Over 200 Amps and up to 800 AMPS	Each		$ 246	$ 253	$ 7
	Over 800 Amps	Each		$ 317	$ 325	$ 8
24	**Commercial/Residential Portable Electrical Generator - Temporary Use ONLY**					
	1 Generator	Flat		$ 176	$ 181	$ 5
	2-5 Generators	Flat		$ 246	$ 253	$ 7
	6+ Generators	Flat		$ 317	$ 325	$ 8
25	**Temporary Power Source**					
	1 Temporary Power Pole	Flat		$ 141	$ 144	$ 3
	2-5 Temporary Power Poles	Flat		$ 211	$ 217	$ 6
	6+ Temporary Power Poles	Flat		$ 352	$ 361	$ 9
26	**Solar (PV) Systems (State-mandated Fees)**		[1]			
	Solar - Residential (up to 15 kW)	Flat	[2]	$ 450	$ 450	$ -
	Per kW above 15kW	Per kW	[2]	$ 15	$ 15	$ -
	Solar - Commercial (up to 50 kW)	Flat	[2]	$ 1,000	$ 1,000	$ -
	Per kW between 51kW - 250kW	Per kW	[2]	$ 7	$ 7	$ -
	Per kW above 250kW	Per kW	[2]	$ 5	$ 5	$ -
IV	**MECHANICAL PERMIT AND PLAN CHECK FEES**					
27	**For the Issuance of each Permit**	Each		$ 35	$ 36	$ 1
28	**HVAC, Evaporative Coil Systems; New, or Changeout or Relocation (not Including Duct; See Fee #32 for New Residential Ducts)**					
	Residential	Each		$ 123	$ 126	$ 3
	Commercial	Each		$ 387	$ 397	$ 10

Community & Economic Development - Building Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
29	**Repair to Existing Mechanical System - Residential Only**	Each		$ 176	$ 181	$ 5
30	**For the Installation or Relocation of Each Wall Heater, Floor Furnace, Suspended, or Floor Mounted Unit Heater**					
	Residential	Each		$ 176	$ 181	$ 5
	Commercial	Each		$ 246	$ 253	$ 7
31	**For Each New (or Changeout) Residential Duct System**	Each		$ 211	$ 217	$ 6
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		$ 704	$ 722	$ 18
33	**For the Installation of Each Domestic Type Vent Fan or Range Hood, Including Attached Duct (Residential Only)**	Each		$ 53	$ 54	$ 1
34	**For the Installation or Relocation of each Boiler or Compressor to and Including 3 HP or Each Absorption System to and Including 100,000 B.T.U.**					
	Residential	Each		$ 282	$ 289	$ 7
	Commercial	Each		$ 352	$ 361	$ 9
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		$ 352	$ 361	$ 9
	Commercial	Each		$ 458	$ 470	$ 12
36	**New Swimming Pool Heating Systems - Heater/Boiler (See Fee #53 and Fee #54 for Plumbing Elements)**					
	Residential	Each		$ 282	$ 289	$ 7
	Commercial	Each		$ 387	$ 397	$ 10
37	**Replacement Swimming Pool Heating System - Heater/Boiler (See Fee #53 and Fee #54 for Plumbing Elements). Residential Only**	Each		$ 211	$ 217	$ 6
38	**For the Installation of each Fire/Smoke/Ceiling Radiation Damper**	Each		**See Building valuation (Fee #6 & #7)**	**See Building valuation (Fee #6 & #7)**	-
39	**For the Installation or Alteration of one Residential Metal Chimney Serving a Fireplace or Similar Appliances**	Each		$ 282	$ 289	$ 7
V	**PLUMBING PERMIT AND PLAN CHECK FEES**					
40	**For the Issuance of each Permit**	Each		$ 35	$ 36	$ 1
41	**For 10 or Less Plumbing Fixtures or Traps, Including Water, Waste, and Vent Piping**					
	Residential	Flat		$ 70	$ 72	$ 2
	Commercial	Flat		$ 422	$ 433	$ 11
42	**Each Additional Plumbing Fixture; Residential Only**	Each		$ 35	$ 36	$ 1
43	**10 Gas Outlets or Less, Includes Repairs, New Work and Line Replacements**					
	Residential	Flat		$ 106	$ 108	$ 2
	Commercial	Flat		$ 352	$ 361	$ 9
44	**Repairs, Replacements or Relocation of each Building Sewer or Building Drain and Backwater Valve.**					
	Residential	Each		$ 106	$ 108	$ 2

Community & Economic Development - Building Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Commercial	Each		$ 176	$ 181	$ 5
45	**For each Interceptor (Sand/Grease) and each Industrial Waste Pre-treatment Interceptor**	Each		$ 246	$ 253	$ 7
46	**Commercial Roof Rain Water System**	Each		$ 211	$ 217	$ 6
47	**For each Water Supply System Installation, Alteration, Replacement of Water Piping and Residential Water Treatment Equipment**					
	Residential	Each		$ 141	$ 144	$ 3
	Commercial	Each		$ 317	$ 325	$ 8
48	**Drain and Vent Piping. Includes New Systems, Repairs, Replacement Lines, Pool Drains and Separation Tanks**					
	Residential	Each		$ 106	$ 108	$ 2
	Commercial	Each		$ 211	$ 217	$ 6
49	**Repair/Replacement of Backflow Prevention Devices e.g. Vacuum Breakers**					
	Residential	Each		$ 106	$ 108	$ 2
	Commercial	Each		$ 211	$ 217	$ 6
50	**Storage Tank (or Tankless) Water Heater Repair or Replacement, Like-for-Like**					
	Residential	Each		$ 53	$ 54	$ 1
	Commercial	Each		$ 211	$ 217	$ 6
51	**New Water Heater Installation (Tankless or Storage)**					
	Residential	Each		$ 282	$ 289	$ 7
	Commercial	Each		$ 431	$ 442	$ 11
52	**New or Replacement of Rooftop Solar Thermal Water Heating Systems (NOT PV) (State Mandated Fees)**		[1]			
	Residential (up to 10 kWth)	Flat	[2]	$ 450	$ 450	$ -
	Per kWth above 10 kWth	Per kWth	[2]	$ 15	$ 15	$ -
	Commercial (up to 30 kWth)	Flat	[2]	$ 1,000	$ 1,000	$ -
	Per kWth between 31 kWth - 260 kWth)	Per kWth	[2]	$ 7	$ 7	$ -
	Per kWth above 260 kWth	Per kWth	[2]	$ 5	$ 5	$ -
53	**New Non-solar Thermal Pool Appliance Heating Systems - Plumbing Elements only (See Fee #37 for Mechanical Components)**					
	Residential	Each		$ 141	$ 144	$ 3
	Commercial	Each		$ 141	$ 144	$ 3
54	**Repair or Replacement of Non-solar Thermal Pool Heating Systems - Plumbing Elements only Like for Like**					
	Residential	Each		$ 53	$ 54	$ 1
	Commercial	Each		$ 141	$ 144	$ 3
VI	**ADDITIONAL PLAN REVIEW / INSPECTION SERVICES**					
55	**Accessibility Hardship Review**	Each		$ 669	$ 686	$ 17
56	**Inspections Outside of Normal City Business Hours (Min. 2 hours)**					
	First 2 Hours	Per Project		$ 387	$ 397	$ 10
	Each Additional Hour (1/4 Hour Increments)	Hourly		$ 155	$ 159	$ 4
57	**Reinstatement Fee for Expired Permit**	Per Project			**50% of Base Permit Fee**	-
58	**Reinspection Fee (Min. 1/2 hour)**					
	First 1/2 Hour	Hourly		$ 106	$ 108	$ 2

Community & Economic Development - Building Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Each Additional Hour (1/4 Hour Increments)	Hourly		$ 141	$ 144	$ 3
59	**Plan Review for which No Fee is Specifically Indicated (Min. 1/2 Hour)**					
	First 1/2 Hour	Per Project		$ 116	$ 119	$ 3
	Each Additional Hour (1/4 Hour Increments)	Hourly		$ 155	$ 159	$ 4
60	**Inspections for which No Fee is Specifically Indicated (Min. 1 Hour)**					
	First 1 Hour	Per Project		$ 141	$ 144	$ 3
	Each Additional Hour (1/4 Hour Increments)	Hourly		$ 141	$ 144	$ 3
61	**Strong Motion Instrumentation Program (SMIP)**	State Fee	[1]	**Determined by the State**	**Determined by the State**	-
62	**Reissuance of Inspection Card**	Each		$ 35	$ 36	$ 1
63	**Special Inspection (SOQ Review & Approval - New and Each 3 yr. Renewal Period)**	Hourly		$ 211	$ 217	$ 6
64	**Temporary Certificates of Occupancy/Certificate of Occupancy**					
	TCO/CO Issuance (Required)	Each		$ 308	$ 316	$ 8
	TCO/CO Issuance (Non-Required)	Each		$ 106	$ 108	$ 2
65	**Partial TCO**	Each		$ 317	$ 325	$ 8
66	**Plan Review for any Submittals Subsequent to 3rd Submittal and for Revisions (Min. 1/2 hour)**					
	First 1/2 Hour	Per Project		$ 70	$ 72	$ 2
	Each Additional Hour (1/4 Hour Increments)	Hourly		$ 141	$ 144	$ 3
67	**Expedited Plan Check (Outside Normal City Business Hours)**	Each 1/2 Hr		$ 77	$ 79	$ 2
68	**Record Retention (Digitizing Fee)**					
	up to 11x17	Per Page		$ 0.17	$ 0.18	$ 0.01
	Over 11x17	Per Page		$ 2	$ 2	$ 0
	Pick-up & Delivery	Flat		$ 0.29	$ 0.30	$ 0.01
69	**Affidavit Process to Release/Provide Plans**	Each		$ 141	$ 144	$ 3
70	**AMMR Review (Minimum 2 hours)**					
	First 2 Hours	Per Project		$ 317	$ 325	$ 8
	Each Additional Hour (1/4 Hour Increments)	Hourly		$ 141	$ 144	$ 3
71	**Investigation Fee**	Each		**3 Times Permit Fee**	**3 Times Permit Fee**	-
72	**Partial Permit Issuance and Non-standard Deferred Submittals**					
	Partial Permit Issuance	Each		$ 184	$ 189	$ 5
	Non-standard Deferred Submittals	Each		$ 106	$ 108	$ 2
73	**FEMA Community Acknowledgement Form Processing (Minimum 1 Hour)**					
	First 1 Hour	Per Project		$ 141	$ 144	$ 3
	Each Additional Hour (1/4 Hour Increments)	Hourly		$ 141	$ 144	$ 3
74	**Special Projects (Minimum 1/4 hour) Special Events and Code Enforcement Activities**					
	First 1/4 Hour	Per Project		$ 35	$ 36	$ 1
	Each Additional Hour (1/4 Hour Increments)	Hourly		$ 141	$ 144	$ 3
75	**Building Moving**					
	Permit Fee	Per Permit		$ 890	$ 913	$ 23
	Other	Per Hour		$ 141	$ 144	$ 3

Community & Economic Development - Building Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
76	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	$ 144	$ 3
	After Business Hours	Per Hour		$ 155	$ 159	$ 4

Notes

[1] Fee set by State.

[2] Not Subject to Inflationary Adjustment

Police Department

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
1	**Alarm Permit; False Alarms**					
	Alarm User Permit	Per Permit		$ 24	$ 24	$ -
2	**False alarm costs, (plus penalties):**		[5]			
	4th Response	Each		$ 475	$ 488	$ 13
	5th Response	Each		$ 475	$ 488	$ 13
	6th Response	Each		$ 475	$ 488	$ 13
	7th Response	Each		$ 475	$ 488	$ 13
3	**Bicycles**					
	License and Registration	Per 3 Years		$ 12	$ 12	$ -
	Renewal	Per 3 Years		$ 12	$ 12	$ -
4	**Bingo**					
	License	Each		$ 65	$ 67	$ 2
	Renewal	Each		$ 13	$ 13	$ -
5	**Cardrooms**					
	License and Renewal	Each		$ 53	$ 55	$ 2
	Dealer/Work Permit	Each		$ 53	$ 55	$ 2
	Department of Justice Fee	Per Permit	[1] [9]	$ 32	$ 32	$ -
	(City Fingerprint Fee)	Each		**See Fingerprint Fee #11**	**See Fingerprint Fee #11**	-
6	**Citation Sign-off for Agencies Outside the City**	Per Citation		$ 42	$ 43	$ 1
7	**Clearance Letter (for Immigration or other Clearance Letter, Plus Fingerprint Fees)**	Per Letter		$ 24	$ 24	$ -
8	**Crime Report/Traffic Report Copy**					
	Per Page, Bulletin Entry	Per Page	[8] [9]	$ 0.15	$ 0.15	$ -
	Certified Copy of Reports	Per Letter		$ 12	$ 12	$ -
	Crime Analysis Reports	Per Report		$ 118	$ 121	$ 3
	Traffic collision Report (for other than Victim)	Per Report	[8] [9]	$ 0.15	$ 0.15	$ -
9	**DUI**		[2] [9]			
	Accident Response and investigation	Actual Cost		$ 12,588	$ 12,915	$ 327
	Arrest and Report	Actual Cost		$ 1,049	$ 1,076	$ 27
10	**Concealed Weapons**					
	Permit	Per Permit	[3]	$ 325	$ 333	$ 8
	Department of Justice Live Scan Fee	Per Permit	[9]	$ 95	$ 95	$ -
	Renewal	Per Permit Renewal		$ 25	$ 26	$ 1
	Department of Justice Fee - Payable to DOJ	Per Permit	[1] [9]	$ 52	$ 52	$ -
	Amended License	Per Amendment	[10]	$ 10	$ 10	$ -
	(City Fingerprint Fee)	Each		**See Fingerprint Fee #11**	**See Fingerprint Fee #11**	-
11	**DOJ, FBI and Fingerprint**					
	DOJ and FBI Fee	Per Print	[1]	**Per DOJ Fee Schedule**	**Per DOJ Fee Schedule**	
	Fingerprint (City's Rolling Fee)	Per Request	[9]	$ 28	$ 29	$ 1
12	**Firearms Sales Permit**	Per Permit	[4] [9]	$ 28	$ 28	$ -
	Department of Justice Fee	Per Permit	[1] [9]	$ 32	$ 32	$ -
	(City Fingerprint Fee)	Each		**See Fingerprint Fee #11**	**See Fingerprint Fee #11**	-

Police Department

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
13	**Palmistry License Fee**					
	New	Per License		**$ 118**	**$ 121**	**$ 3**
	Renewal	Per Renewal		**$ 118**	**$ 121**	**$ 3**
14	**Police Photo (reproduction)**	Per Photo		**$ 59**	**$ 61**	**$ 2**
	Plus traffic photo processing Fee to insurance company	Per Photo		**$ 59**	**$ 61**	**$ 2**
	Photo CD's	Per CD		**$ 59**	**$ 61**	**$ 2**
	Tape of Radio/Video Transmission, Digital or Hard copy Photographs	Per Tape		**$ 118**	**$ 121**	**$ 3**
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**	**$ -**
17	**Second-hand Dealer/Pawn Broker**					
	New or Renewal (Check payable to DOJ)	Each	[7]			
	City Processing Fee	Each		**$ 85**	**$ 87**	**$ 2**
	DOJ Fee	Each		**$ 300**	**$ 300**	**$ -**
	Class B	Each	[1]	**$ 32**	**$ 32**	**$ -**
18	**Taxi Driver**					
	Permit	Per Permit		**$ 118**	**$ 121**	**$ 3**
	Renewal	Per Renewal		**$ 53**	**$ 55**	**$ 2**
	Background investigation	Each		**$ 118**	**$ 121**	**$ 3**
	(City Fingerprint Fee)	Each		**See Fingerprint Fee #11**	**See Fingerprint Fee #11**	**-**
19	**Tow Truck Driver/Attendant**					
	Permit	Per Permit		**$ 53**	**$ 55**	**$ 2**
	Renewal	Per Renewal		**$ 36**	**$ 36**	**$ -**
20	**Vehicle Release**	Per Vehicle		**$ 154**	**$ 158**	**$ 4**
21	**VIN Verification**	Per Request		**$ 297**	**$ 305**	**$ 8**
22	**Storage of Firearms**		[6]			
	Intake/Processing Fee	Per Firearm		**$ 178**	**$ 182**	**$ 4**
	Storage of Firearm (per domestic violence protective order)	Per Day		**$ 2**	**$ 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**	**$ 183**	**$ 5**
	Records	Per Hour		**$ 118**	**$ 121**	**$ 3**

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] 50% due at application and 50% due at issuance per PC 26190(b)(2)
[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 7922.530(a) government code and 20012 California Vehicle Code
[9] Not Subject to Inflationary Adjustment
[10] Fee set by PC 26190(e)

Police - Animal Services Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
1	Animal Services		[5]			
	Animal Adoption, Plus Veterinary Services	Per Animal		**$ 6**	**$ 6**	**$ -**
2	Animal bite	Per Call	[1]	**$ 71**	**$ 73**	**$ 2**
3	Board and Care (Daily)					
	For impounded dogs	Per Dog		**$ 59**	**$ 61**	**$ 2**
	For impounded cats	Per Cat		**$ 59**	**$ 61**	**$ 2**
4	Cat Carrier	Per Carrier	[4]	**Actual Cost of Carrier**	**Actual Cost of Carrier**	**-**
5	Cat Neuter	Per Cat	[2]	**Actual Cost of Vet Services**	**Actual Cost of Vet Services**	**-**
6	Cat Spay	Per Cat	[2]	**Actual Cost of Vet Services**	**Actual Cost of Vet Services**	**-**
7	Collar identification	Per Animal	[2]	**Actual Cost of Collar**	**Actual Cost of Collar**	**-**
8	Dog Neuter	Per Dog	[2]	**Actual Cost of Vet Services**	**Actual Cost of Vet Services**	**-**
9	Dog Spay	Per Dog	[2]	**Actual Cost of Vet Services**	**Actual Cost of Vet Services**	**-**
10	Impound					
	First	Per Animal		**$ 31**	**$ 32**	**$ 1**
	Second	Per Animal		**$ 47**	**$ 48**	**$ 1**
	Third and Above	Per Animal		**$ 63**	**$ 65**	**$ 2**
11	Impound, Additional State fee for Unaltered, at Large, Animals:		[3]			
	First	Per Animal		**As set by State**	**As set by State**	**-**
	Second	Per Animal				
	Third	Per Animal				
12	License Fee					
	Unaltered dogs	Per Dog, per year		**$ 35**	**$ 36**	**$ 1**
	Altered dogs	Per Dog, per year		**$ 35**	**$ 36**	**$ 1**
	Replacement for lost	Per License		**$ 35**	**$ 36**	**$ 1**
	Late Fee	Each	[6]	**$ 22**	**$ 22**	**$ -**

Police - Animal Services Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
13	Low cost Spay/Neuter voucher	Per Animal		**$ 47**	**$ 48**	**$ 1**
14	Multiple Pet Permit Application					
	Application	Each		**$ 425**	**$ 436**	**$ 11**
	Permit	Each		**$ 31**	**$ 32**	**$ 1**
15	Owner Surrender		[1]			
	Live Animal	Per Animal		**$ 35**	**$ 36**	**$ 1**
	Deceased Animal (Not at Shelter)	Per Animal		**$ 71**	**$ 73**	**$ 2**
16	Rabies vaccination Voucher	Per Animal	[2]	**$ 22**	**$ 22**	**$ - **
17	Vaccination	Per Animal		**Actual cost of vaccination**	**Actual cost of vaccination**	**-**
18	Veterinary Costs	Actual Cost		**Actual Cost**	**Actual Cost**	
19	SNR Trap Rental	Each	[7]	**$ 63**	**$ 65**	**$ 2**
20	SNR Fee	Each		**$ 21**	**$ 22**	**$ 1**
21	Breeder Certificate	Each		**$ 105**	**$ 108**	**$ 3**
22	Dangerous Dog Permit	Each		**$ 105**	**$ 108**	**$ 3**
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.	Per Hour		**$ 142**	**$ 146**	**$ 4**

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.

Public Works Department

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
1	Banner Installation and Removal					
	New Location	Per Bracket		$ 227	$ 233	$ 6
	Existing Banner Site	Each		$ 182	$ 186	$ 4
2	Tree Removal Permits	Actual Cost		**Actual Cost**	**Actual Cost**	-
3	Tree Pruning/Maintenance Permit	Per Permit		$ 595	$ 611	$ 16
4	Tree Maintenance Inspection	Per Inspection		$ 446	$ 458	$ 12
5	Special Events (Support to Parks, Recreation & Community Services)	Per Event	[1]	$ 836	$ 857	$ 21
6	Utilities Turn On/Off	Per Trip		**See Utilities Fee Schedule**	**See Utilities Fee Schedule**	-
7	Shopping Cart Retrieval	Per Retrieval		$ 272	$ 279	$ 7
8	Sidewalk Maintenance	Actual Cost		**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	$ 126	$ 3

Notes

[1] Non-profit organizations receive a 50% discount.

Public Works - Utilities Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	NPDES MS4 PERMIT AND WATER EFFICIENCY REVIEW					
1	Tentative Subdivision Map/Vesting Tentative/Specific Plan					
	Plan Review	Each		**$ 175**	**$ 180**	**$ 5**
2	Single Family					
	Plan Review	Per Building		**$ 40**	**$ 41**	**$ 1**
	Permit	Per Building		**$ 40**	**$ 41**	**$ 1**
3	Multiple Family Dwellings, Trailer Courts, Guest Dwellings, or Condominiums					
	Plan Review	Per Building		**$ 40**	**$ 41**	**$ 1**
	Permit	Per Building		**$ 40**	**$ 41**	**$ 1**
4	School Buildings or Churches					
	Plan Review	Per Building		**$ 40**	**$ 41**	**$ 1**
	Permit	Per Building		**$ 40**	**$ 41**	**$ 1**
5	Commercial Installations					
	Plan Review	Per Building		**$ 61**	**$ 62**	**$ 1**
	Permit	Per Building		**$ 61**	**$ 62**	**$ 1**
6	Industrial Installations					
	Plan Review	Per Building		**$ 61**	**$ 62**	**$ 1**
	Permit	Per Building		**$ 61**	**$ 62**	**$ 1**
7	Post-Construction Standards Maintenance Agreement					
	Plan Review, Submittal and Recording	Per Agreement		**$ 269**	**$ 276**	**$ 7**
8	Project Stormwater Plan and Operations Maintenance Plan					
	Plan Review	Per Plan		**$ 40**	**$ 41**	**$ 1**
9	Erosion and Sediment Control Plan (Small Projects)					
	Plan Review	Per Plan		**$ 40**	**$ 41**	**$ 1**
10	WELO Landscape Document Package Review					
	Prescriptive Approach (Aggregate under 2,500 Sq.Ft.)	Per Package		**$ 40**	**$ 41**	**$ 1**
	Performance Approach (>2,500 sq. ft.)	Per Package		**$ 135**	**$ 138**	**$ 3**
11	Trash Enclosure					
	Plan Review	Per Building		**$ 20**	**$ 21**	**$ 1**
	Permit	Per Building		**$ 20**	**$ 21**	**$ 1**
12	Business License Fee					
	Application Review	Per Application		**$ 34**	**$ 35**	**$ 1**
	Compliance Inspection	Per Application		**$ 67**	**$ 69**	**$ 2**
	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**	**$ 138**	**$ 3**
	Inspection of Const. sites with grading Permits that disturb 5,000 Sq.ft or More	Per Inspection		**$ 175**	**$ 180**	**$ 5**
	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**	**$ 41**	**$ 1**

Public Works - Utilities Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Inspection of New and Redevelopment Projects With More Than 2500 Sq. Ft. or More of New or Rehabilitated Landscape	Per Inspection		$ 135	$ 138	$ 3
	STORMWATER POST-CONSTRUCTION TREATMENT ANNUAL MAINTENANCE INSPECTION					
15	Residential	Per Inspection		$ 175	$ 180	$ 5
16	Commercial / Industrial	Per Inspection		$ 175	$ 180	$ 5
	CONSTRUCTION GENERAL Permit - SWPPP or ESCP					
17	Plan Review	Per Plan		$ 135	$ 138	$ 3
18	Compliance Inspection (2x Per month)					
	< 1 Acre	Per Inspection		$ 135	$ 138	$ 3
	> 1 Acre	Per Inspection		$ 175	$ 180	$ 5
19	Notice of Termination					
	< 1 Acre	Per Inspection		$ 135	$ 138	$ 3
	> 1 Acre	Per Inspection		$ 175	$ 180	$ 5
20	Dewatering Report Review	Per Sampling		$ 61	$ 62	$ 1
	CONSTRUCTION WATER - METERING					
21	Application Review	Per Application		$ 40	$ 41	$ 1
22	Meter Deposit	Per meter		**Actual Replacement Cost**	**Actual Replacement Cost**	-
23	Permit					
	Metered	Per Project		$ 67	$ 69	$ 2
	Load Count	Per Project		$ 101	$ 104	$ 3
24	Meter Rental - Daily	Per Meter		$ 26	$ 26	$ -
25	Unpermitted use of fire hydrant for construction water					
	1st Violation	Per Violation		$ 52	$ 53	$ 1
	2nd Violation	Per Violation		$ 105	$ 108	$ 3
	3rd and More	Per Violation		$ 525	$ 539	$ 14
	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	$ 63	$ 2
27	Miscellaneous Installations such food service establishments and dental offices					
	Plan Review	Per Building		$ 40	$ 41	$ 1
	DISCHARGE Permit					
28	Discharge Permit—Initial Permit Fee					
	Class I Permit (SIU)	First Year		$ 2,525	$ 2,591	$ 66

Public Works - Utilities Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Class II Permit (NSIU/NSCIU/Zero-Discharge Categorical)--Three (3) Year Permit	First Year		$ 805	$ 826	$ 21
	Class III Permit (Temporary Discharge Permit)	First Permit Cycle		$ 1,212	$ 1,244	$ 32
	Class IV Permit (Hauled Liquid Waste)--Five (5) Year Permit	First Year		$ 808	$ 829	$ 21
29	Discharge Permit—Annual Permit Fee					
	Class I Permit (SIU)	Annually		$ 1,919	$ 1,969	$ 50
	Class II Permit (NSIU/NSCIU/Zero-discharge categorical)	Annually		$ 421	$ 432	$ 11
	Class III Permit (Temporary Discharge Permit)	Annually		$ 673	$ 690	$ 17
	Class IV Permit (Hauled Liquid Waste)	Annually		$ 556	$ 570	$ 14
30	Re-Inspection/Sampling/non-compliance Inspection	Per Inspection		$ 303	$ 311	$ 8
31	Laboratory Analysis Cost and Rental Equipment Charges	Per Analysis		Actual Cost	Actual Cost	-
	ENVIRONMENTAL COMPLIANCE					
32	Food Service Establishment/FOG Annual Inspection/ Annual Permit Fee					
	Small Generator	Annually		$ 168	$ 172	$ 4
	Medium Generator	Annually		$ 215	$ 221	$ 6
	Large Generator	Annually		$ 303	$ 311	$ 8
33	Re-Inspection/Sampling/non-compliance Inspection	Per Inspection		$ 202	$ 207	$ 5
34	Dental Facility One-Time Compliance Report Fee	Per Report		$ 67	$ 69	$ 2
	NEW WATER MAIN TESTING					
35	Sampling by City Staff - Per site (Charges Begin Following Initial Sampling and One (1) Resampling Event)	Per Sample		$ 135	$ 139	$ 4
36	Laboratory Analysis Cost and Rental Equipment Charges	Per Sample		$ 135	$ 139	$ 4
37	Backflow Device Testing	Per Device		$ 404	$ 415	$ 11
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	$ 139	$ 4

Notes

Public Works - Engineering Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
1	Agreement Processing					
	Subdivision Improvement Agreement	Per Agreement	[10]	$ 7,401	$ 7,594	$ 193
	Off-site Improvement Agreement	Per Agreement	[10]	$ 7,853	$ 8,058	$ 205
	Park Improvement and Reimbursement Agreement	Per Agreement	[10]	$ 6,620	$ 6,792	$ 172
	Right of Entry Agreement	Per Agreement	[10]	$ -	$ 1,400	$ 1,400
2	SIA, OIA, PIRA, Any Amendment	Per Amendment		$ 5,921	$ 6,075	$ 154
3	Grading Plan Check					
	10,000	Base Fee		$ 12,718	$ 13,048	$ 330
	Each Additional 10,000 CY	Each Add'l		$ 573.41	$ 588.31	$ 14.91
	100,000	Base Fee		$ 17,878	$ 18,343	$ 465
	Each Additional 10,000 CY	Each Add'l		$ 542.83	$ 556.94	$ 14.11
	200,000	Base Fee		$ 23,307	$ 23,913	$ 606
	Each Additional 10,000 CY	Each Add'l		$ 1,165.34	$ 1,195.63	$ 30.30
4	Grading Permit and Inspection					
	Residential or Commercial Lots (Up to 5)	Per Project		$ 5,919	$ 6,073	$ 154
	Subdivisions (5 Lots or More)	Per Project		$ 11,723	$ 12,028	$ 305
	Re-inspection Fee	Per Inspection		$ 656	$ 673	$ 17
5	4th & Subsequent Plan Check	Per Submittal		$ 1,283	$ 1,316	$ 33
	SUBDIVISIONS		[5]			
6	Final Parcel Map Review	Per Project	[11]	$ 4,947	$ 5,075	$ 128
7	Final Subdivision Map Review					
	5 - 49 Lots	Per Project	[11]	$ 7,415	$ 7,607	$ 193
	50 - 100 Lots	Per Project		$ 15,645	$ 16,052	$ 407
	>100 Lots, Each Additional 100 Lots	Per 100 Lots		$ 15,960	$ 16,375	$ 415
8	Final Map Amendment Review	Per Project		$ 6,474	$ 6,642	$ 168
9	Certification of Correction	Per Project		$ 4,976	$ 5,105	$ 129
10	Non-Technical Correction (i.e. misspellings)	Per Project		$ 226	$ 232	$ 6
11	Certificate of Compliance	Per Application		$ 3,481	$ 3,572	$ 91
12	Legal Description and Plat Review (Ex:Lot Merger/Lot Line Adjustment/Easement Modification)	Per Submittal		$ 3,166	$ 3,249	$ 82

Public Works - Engineering Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	PUBLIC IMPROVEMENTS					
13	Plan Check	Per Project up to $5M, Deposit/Actual Cost >$5M	[11]			
	$ 2,000	Base Fee		**$ 8,562**	**$ 8,785**	**$ 223**
	Each Additional $1,000 or Fraction thereof	Each Add'l $1,000	[11]	**$ 288.68**	**$ 296.19**	**$ 7.51**
	$ 25,000	Base Fee		**$ 15,202**	**$ 15,597**	**$ 395**
	Each Additional $1,000 or Fraction thereof	Each Add'l $1,000	[11]	**$ 396.77**	**$ 407.09**	**$ 10.32**
	$ 50,000	Base Fee		**$ 25,121**	**$ 25,774**	**$ 653**
	Each Additional $1,000 or Fraction thereof	Each Add'l $1,000	[11]	**$ 121.28**	**$ 124.44**	**$ 3.15**
	$ 100,000	Base Fee		**$ 31,185**	**$ 31,996**	**$ 811**
	Each Additional $1,000 or Fraction thereof	Each Add'l $1,000	[11]	**$ 9.27**	**$ 9.51**	**$ 0.24**
	$ 500,000	Base Fee		**$ 34,893**	**$ 35,801**	**$ 908**
	Each Additional $1,000 or Fraction thereof	Each Add'l $1,000	[11]	**$ 28.00**	**$ 28.73**	**$ 0.73**
	$ 1,000,000	Base Fee		**$ 48,893**	**$ 50,164**	**$ 1,271**
	Each Additional $1,000 or Fraction thereof	Each Add'l $1,000	[11]	**$ 10.98**	**$ 11.26**	**$ 0.29**
	$ 5,000,000	Base Fee		**$ 92,795**	**$ 95,208**	**$ 2,413**
	Each Additional $1,000 or Fraction thereof	Each Add'l $1,000	[11]	**$ 18.56**	**$ 19.04**	**$ 0.48**
14	Inspection	Per Project up to $5M, Deposit/Actual Cost >$5M				
	$ 2,000	Base Fee		**$ 1,116**	**$ 1,145**	**$ 29**
	Each Additional $1,000 or Fraction thereof	Each Add'l $1,000		**$ 57.85**	**$ 59.36**	**$ 1.50**
	$ 25,000	Base Fee		**$ 2,447**	**$ 2,510**	**$ 63**
	Each Additional $1,000 or Fraction thereof	Each Add'l $1,000		**$ 87.32**	**$ 89.59**	**$ 2.27**
	$ 50,000	Base Fee		**$ 4,630**	**$ 4,750**	**$ 120**
	Each Additional $1,000 or Fraction thereof	Each Add'l $1,000		**$ 44.25**	**$ 45.40**	**$ 1.15**
	$ 100,000	Base Fee		**$ 6,842**	**$ 7,020**	**$ 178**
	Each Additional $1,000 or Fraction thereof	Each Add'l $1,000		**$ 61.42**	**$ 63.01**	**$ 1.60**

Public Works - Engineering Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	$ 500,000	Base Fee		$ 31,409	$ 32,225	$ 816
	Each Additional $1,000 or Fraction thereof	Each Add'l $1,000		$ 47.30	$ 48.53	$ 1.23
	$ 1,000,000	Base Fee		$ 55,058	$ 56,490	$ 1,432
	Each Additional $1,000 or Fraction thereof	Each Add'l $1,000		$ 57.88	$ 59.38	$ 1.50
	$ 5,000,000	Base Fee		$ 286,572	$ 294,023	$ 7,451
	Each Additional $1,000 or Fraction thereof	Each Add'l $1,000		$ 57.31	$ 58.80	$ 1.49
15	As-builts, Review after Construction	Per Lot		$ 3,549	$ 3,642	$ 93
16	Water Treatment Plan Check/ NPDES Compliance	Per Project		$ 2,262	$ 2,321	$ 59
17	MWELO	Per Project		$ 113	$ 116	$ 3
18	**MICRO IMAGING FEES**		[1,2]			
	11" X 17" and smaller (B&W or Grayscale with 2" Field Index)	Each Page		$ 0.08	$ 0.08	$ -
	Larger than 11" X 17" (B&W or Grayscale with a Two-Field Index)	Each Page		$ 0.88	$ 0.88	$ -
	11" X 17" and smaller (Color with Two-Field Index)	Each Page		$ 0.15	$ 0.15	$ -
	18" X 24" Color document with a Two-Field Index	Each Page		$ 0.53	$ 0.53	$ -
	24" X 36" Color document with a Two-Field Index	Each Page		$ 2.00	$ 2.00	$ -
19	Segregation of Assessment	Per Lot		$ 1,448	$ 1,485	$ 37
20	Record of Survey	Per Lot		$ 4,275	$ 4,386	$ 111
21	Street Easement Abandonment	Per Lot		$ 9,703	$ 9,955	$ 252
22	**ENCROACHMENT PERMITS**		[4]			
	Minor: Includes Curb, Gutter, Sidewalk, Driveway Work, Small Business Sidewalk Sales	Flat	[6,12]	$ 851	$ 873	$ 22
	Moderate: Includes New Service Laterals, Existing Lateral Repair or Replacement, Street Pothole	Flat	[6,7,8, 12]	$ 2,267	$ 2,326	$ 59
	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	$ 2,413	$ 61
	Each Additional $1,000 or Fraction thereof	Flat		$ 19.67	$ 20	$ 1
	$ 50,000	Flat		$ 3,139	$ 3,220	$ 81
	Each Additional $1,000 or Fraction thereof	Flat		$ 60.71	$ 62	$ 2
	$ 100,000	Flat		$ 6,174	$ 6,335	$ 161
	Each Additional $1,000 or Fraction thereof	Flat		$ 10.47	$ 11	$ 0
	$ 500,000	Flat		$ 10,361	$ 10,630	$ 269
	Each Additional $1,000 or Fraction thereof	Flat		$ 12.89	$ 13	$ 0
	$ 1,000,000	Flat		$ 16,807	$ 17,244	$ 437
	Each Additional $1,000 or Fraction thereof	Flat		$ 16.81	$ 17	$ 0

Public Works - Engineering Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Swimming Pool	Per Project	[12]	$ 992	$ 1,018	$ 26
23	**OVERSIZE LOAD PERMIT**		[3]			
	Single Permit	Per Permit	[9]	$ 16	$ 16	$ -
	Annual or Blanket Permit (Fixed Route)	Annual	[9]	$ 90	$ 90	$ -
24	**REPRODUCTION, MAP AND DOCUMENT SALES**		[1,2]			
	Standard Plans, Standard Specs, and Design Standards	Per Doc		$ 18	$ 18	$ -
	Parks Manual	Per Doc		$ 88	$ 88	$ -
	Storm Drainage Master Plans	Per Doc		$ 24	$ 24	$ -
	Subdivision Maps	Per Doc		$ 6	$ 6	$ -
	Reproduction Fees	Per Sheet		$ 2	$ 2	$ -
	NEW ADDRESS MAPPING FEES					
25	Single-family/Single Building or Single Address	Per Lot		$ 452	$ 464	$ 12
26	Multi-Family Projects/Subdivisions					
	2-10 units	Flat		$ 679	$ 696	$ 17
	11-100 units	Flat		$ 905	$ 928	$ 23
	101+ units	Flat		$ 1,131	$ 1,160	$ 29
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	$ 140	$ 3
	After Business Hours	Per Hour		$ 149	$ 153	$ 4

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

[9] Not Subject to Inflationary Adjustment

[10] Base fee (<10 eng hours) + hourly fee after 11+ hours

[11] Subject to 4th & Subsequent Plan Check Fee

[12] Base fee + hourly inspection fee

Parks, Recreation & Community Services - Recreation Services Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
1	**Administration**					
	Advertising Fee for Activity Guide	Per Advertisement	[1]			
	Full Page, Back Cover			$ 1,153	$ 1,183	$ 30
	Full Page, Inside Back Cover			$ 577	$ 592	$ 15
	½ Page, Inside			$ 404	$ 414	$ 10
	¼ Page, Inside			$ 231	$ 237	$ 6
	Program Transaction Fee (Applied to withdrawal, refund, credit, or transfer)	Per Transaction		$ 5	$ 5	$ -
	Early Registration Discount	Per Advertisement	[3]	$ (10)	$ (11)	$ (1)
	Online Registration Discount	Per Advertisement	[3]	$ (10)	$ (11)	$ (1)
	Sibling Registration Discount	Per Advertisement	[3]	10%	11%	1%
	Range of Fee Increase for Contract Classes	Per Advertisement		21%	22%	1%
	Volunteer Incentive Discount (volunteers for youth league programs i.e. Jr. Giants, Jr. Warriors)	Per Registration	[4]	15%	15%	0%
	10% Non-Resident fee applied to all classes, programs, leagues, camps, etc.	Per Registration	[7]	10%	10%	0%
	Lost, Broken, or Stolen Equipment Replacement Cost	Per item			Actual Cost	
2	**Special Interest**					
	Academic Tutoring/Homework Help	Per 4-Week Session	[4,7]	$ 149	$ 149	$ -
	Adult, Child, Infant CPR & AED Training	Per Class	[4,7]		$ 100	$ 100
	AI and ML for Young Minds	Per 1 -Week Session	[4,7]		$ 300	$ 300
	American Sign Language for Beginners	Per 5-Week Session	[4,7]		$ 120	$ 120
	Anxious About Anxiety: Scared to Socialize	Per 8-Week Session	[4,7]		$ 300	$ 300
	Anxious About Anxiety: Panicking About Panic Attacks	Per 8-Week Session	[4,7]		$ 300	$ 300
	App Design	Per 1-Week Session	[4,7]	$ 209	$ 214	$ 5
	App Design on Android	Per 1-Week Session	[4,7]	$ 160	$ 164	$ 4
	App Design on Android (Half Day)	Per 1-Week Session	[4,7]		$ 199	$ 199
	App Design on Android	Per 12-Week Session	[4,7]		$ 275	$ 275
	Athletic Perfection Rolls, Handstands & Cartwheels	Per 4-Week Session	[4,7]	$ 93	$ 96	$ 3
	Cleantech with Electrical Circuit Kits	Per 1-Week Session	[4,7]		$ 300	$ 300
	Code Your Own Arcade Adventure	Per 4-Week Session	[4,7]		$ 229	$ 229
	Creative Writing	Per 1-Week Session	[4,7]		$ 299	$ 299
	Creative Writing, 2D Animation, Coding, Sketching	Per 1-Week Session	[4,7]	$ 229	$ 229	$ -

Parks, Recreation & Community Services - Recreation Services Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Creative Writing, 2D Animation, Coding, Sketching (Full Day)	Per 1-Week Session	[4,7]		$ 449	$ 449
	Design A Robotic Car	Per 1-Week Session	[4,7]	$ 244	$ 244	$ -
	Design Your Own Website	Per 1-Week Session	[4,7]	$ 199	$ 199	$ -
	Design Your Own Toys with a 3D Pen	Per 1-Week Session	[4,7]		$ 275	$ 275
	Digital Art with Python	Per 1-Week Session	[4,7]	$ 199	$ 199	$ -
	Exploring Robots with Sphero RVR	Per 1-Week Session	[4,7]	$ 199	$ 199	$ -
	Exploring Robots with Sphero RVR	Per 12-Week Session	[4,7]		$ 295	$ 295
	Exploring Robots with Sphero RVR & Little Bits	Per 12-Week Session	[4,7]		$ 295	$ 295
	Exploring Robots with Sphero RVR, Little Bits & MicroBits	Per 1 Week-Session	[4,7]		$ 449	$ 449
	Game Design	Per 4-Week Session	[4,7]	$ 119	$ 119	$ -
	Game Design Coding Adventure	Per 1-Week Session	[4,7]	$ -	$ 359	$ 359
	Game Design Level 1	Per 1-Week Session	[4,7]	$ 189	$ 189	$ -
	Game Design Level 2	Per 4-Week Session	[4,7]	$ 189	$ 189	$ -
	Game Design with Scratch	Per 4-Week Session	[4,7]	$ 275	$ 275	$ -
	Game Development with Microsoft MakeCode	Per 4-Week Session	[4,7]		$ 199	$ 199
	Hands-on-Coding to Play with Your Bot	Per 1-Week Session	[4,7]		$ 275	$ 275
	Introduction to App Design for Android	Per 1-Week Session	[4,7]	$ 325	$ 325	$ -
	Introduction to Python	Per 12-Week Session	[4,7]	$ 275	$ 275	$ -
	Investing in Stocks, Bonds, and More…	Per 1 Week-Session	[4,7]		$ 325	$ 325
	Junior Developers	Per 4-Week Session	[4,7]		$ 199	$ 199
	JR STEM Discoveries	Per 4-Week Session	[4,7]		$ 229	$ 229
	LEGO Camp (Half Day)	Per Week	[4,7]	$ 252	$ 259	$ 7
	Minecraft Modding	Per 4-Week Session	[4,7]		$ 199	$ 199
	Money Matters: From Barter to Blockchain	Per 1-Week Session	[4,7]		$ 300	$ 300
	Python Programming	Per 1-Week Session	[4,7]	$ 199	$ 199	$ -
	Roblox Game Design (Half Day)	Per 12-Week Session	[4,7]	$ 275	$ 299	$ 24
	Roblox Game Design (Full Day)	Per 1-Week Session	[4,7]		$ 449	$ 449
	Roblox Game Designer	Per 1-Week Session	[4,7]		$ 199	$ 199
	Roblox Development	Per 4-Week Sesssion	[4,7]		$ 199	$ 199
	Robotics - Design your Rover with Sphero's RVR & Little Bits	Per 1-Week Session	[4,7]	$ 225	$ 225	$ -
	Robotics - Design your Rover with Sphero's RVR & MicroBit	Per 1-Week Session	[4,7]	$ 180	$ 180	$ -

Parks, Recreation & Community Services - Recreation Services Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Robotics - Design your Rover with Sphero's RVR & RaspberryPi	Per 1-Week Session	[4,7]	$ 225	$ 225	$ -
	Robotics – Design & Program your Car with Arduino	Per 1-Week Session	[4,7]	$ 485	$ 485	$ -
	STEM/3D Print	Per 4 Week Session	[4,7]		$ 199	$ 199
	Story Writing & Animation Coding with Scratch	Per 1-Week Session	[4,7]	$ 214	$ 214	$ -
	Use AI to Create Your Own Video Game with Scratch	Per 1-Week Session	[4,7]		$ 300	$ 300
	Your Startup Pitch That VCs Would Love	Per 1-Week Session	[4,7]		$ 325	$ 325
	Tennis					
	Adult Beginning Tennis	Per 4-Week Session	[4,7]	$ 83	$ 85	$ 2
	Tiny Tots Tennis Lesson	Per 4-Week Session	[4,7]	$ 42	$ 51	$ 9
	Junior Beginner Tennis Lesson	Per 4-Week Session	[4,7]	$ 42	$ 51	$ 9
	Beginners Tennis Summer Camp	Per 4-Day Session	[4,7]	$ 84	$ 102	$ 18
	12 & Under Tennis	Per 4-Week Session	[4,7]	$ 72	$ 82	$ 10
	High School Tennis Prep	Per 4-Week Session	[4,7]	$ 72	$ 82	$ 10
	Middle School/High School Team Tennis Prep	Per 4-Week Session	[4,7]	$ 72	$ 74	$ 2
	Middle School (Challenger) Team Tennis Prep	Per 4-Week Session	[4,7]		$ 82	$ 82
	Middle School/High School Tennis Summer Camp	Per 4-Day Session	[4,7]		$ 152	$ 152
	13 & Under Tennis Camp	Per 1-Week Session	[4,7]	$ 68	$ 82	$ 14
	Unraveling Computers & Coding	Per 1-Week Session	[4,7]	$ 199	$ 199	$ -
	Unraveling Computers & Coding Level 1	Per 1-Week Session	[4,7]	$ 199	$ 199	$ -
	Website Designing with HTML/CSS/JavaScript	Per 12-Week Session	[4,7]	$ 275	$ 275	$ -
	Winter Camp - Game Design	Per 1-Week Session	[4,7]	$ 109	$ 109	$ -
	Winter Camp - Young Engineers	Per 1-Week Session	[4,7]	$ 99	$ 99	$ -
	Fall Break Camp - Young Engineers	Per 3-Day Session	[4,7]		$ 295	$ 295
	Spring Break Camp - Young Engineers	Per 1-Week Session	[4,7]		$ 295	$ 295
	Summer Camp - Young Enginners (Half Day) Camp	Per 1-Week Session	[4,7]		$ 299	$ 299
	Summer Camp - Young Enginners (Full Day) Camp	Per 1-Week Session	[4,7]		$ 449	$ 449
	Young Engineers	Per 4-Week Session	[4,7]	$ 119	$ 119	$ -
	Young Engineers Camp	Per 1-Week Session	[4,7]		$ 199	$ 199
	Young Engineers	Per 12-Week Session	[4,7]		$ 295	$ 295
	Building Confidence in Public Speaking	Per 1-Week Session	[4,7]	$ 199	$ 199	$ -
	Speaking with Confidence	Per 1-Week Session	[4,7]	$ 199	$ 199	$ -
	Debates and Public Speaking Combo Series	Per 1-Week Session	[4,7]	$ 199	$ 199	$ -

Parks, Recreation & Community Services - Recreation Services Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Debates and Public Speaking Level 1	Per 1-Week Session	[4,7]	$ 199	$ 199	$ -
	Debates and Public Speaking Level 2	Per 1-Week Session	[4,7]	$ 199	$ 199	$ -
	Essentials of Debating	Per 1-Week Session	[4,7]	$ 160	$ 160	$ -
	Fiesta Cooking Camp	Per 1-Week Session	[4,7]		$ 305	$ 305
	Gurus Building Public Speaking Confidence	Per 1-Week Session	[4,7]	$ 199	$ 199	$ -
	Gurus Medi Kids: Health Matters	Per 1-Week Session	[4,7]	$ 149	$ 149	$ -
	Introduction to Speech Writing	Per 1-Week Session	[4,7]	$ 160	$ 160	$ -
	Little Masters of Public Speaking Level 2	Per 1-Week Session	[4,7]	$ 199	$ 199	$ -
	Personal Finance	Per 1-Week Session	[4,7]	$ 149	$ 149	$ -
	Basic Personal Finance	Per 2-Week Session	[4,7]		$ 100	$ 100
	Pre-Public Speaking- Advanced Speech Writing	Per 1-Week Session	[4,7]	$ 160	$ 160	$ -
	Pre-Public Speaking- Building Confidence	Per 1-Week Session	[4,7]	$ 160	$ 160	$ -
	Public Speaking & Debate Skills - Sports & Teams	Per 1-Week Session	[4,7]	$ 149	$ 149	$ -
	Public Speaking and Debates Spring Break Camp	Per 1-Week Session	[4,7]	$ 199	$ 199	$ -
	Public Speaking and Debating Skills: TED Talk Style	Per 1-Week Session	[4,7]	$ 149	$ 149	$ -
	Public Speaking and Debating Skills: Theme Around the World	Per 1-Week Session	[4,7]	$ 249	$ 249	$ -
	Public Speaking and Debating Skills: Theme: Super Powers	Per 1-Week Session	[4,7]	$ 249	$ 249	$ -
	SMART Camp	Per 1-Week Session	[4,7]	$ 299	$ 299	$ -
	Writing & Creativity Skills - Nature is Beautiful	Per 1-Week Session	[4,7]	$ 149	$ 149	$ -
	Baseball Tots	Per 6-Week Session	[4,7]	$ 49	$ 50	$ 1
	Beach Volleyball Camp	Per 1-Week Session	[4,7]	$ 159	$ 159	$ -
	Beginning Golf Camp	Per 1-Week Session	[4,7]	$ 165	$ 165	$ -
	Chess	Per 7-Week Session	[4,7]		$ 125	$ 125
	Spring Chess Camp	Per 1-Week Session	[4,7]		$ 225	$ 225
	Cooking, Sewing & Spanish Language Fiesta	Per 1-Week Session	[4,7]		$ 630	$ 630
	Cooking, Sewing & Spanish Language Fiesta (Full Day) Camp	Per 1-Week Session	[4,7]		$ 807	$ 807
	Hi-Five - Intro to Cricket	Per 4-Week Session	[4,7]		$ 75	$ 75
	Mandarin Language Camp	Per 1-Week Session	[4,7]		$ 305	$ 305
	Mini-Hawk Camp	Per 1-Week Session	[4,7]	$ 165	$ 165	$ -
	MiniHawk Multi Sport	Per 3 week Session	[4,7]	$ 89	$ 89	$ -

Parks, Recreation & Community Services - Recreation Services Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	PhysEd Fun	Per 6-Week Session	[4,7]	$ 49	$ 50	$ 1
	Race Across the Rainforest Camp	Per 4-day session	[4,7]		$ 250	$ 250
	Sewing Camp	Per 1-Week Session	[4,7]		$ 295	$ 295
	Skyhawks 1st Down Tots	Per 5-Week Session	[4,7]	$ 89	$ 89	$ -
	Skyhawks (All Boys & Girls) Soccer Camp	Per 1-Week Session	[4,7]		$ 222	$ 222
	Skyhawks Baseball Skills	Per 1-Week Session	[4,7]	$ 99	$ 99	$ -
	Skyhawks Baseball Tots	Per 5-Week Session	[4,7]	$ 89	$ 89	$ -
	Skyhawks Basketball Skills	Per 5-Week Session	[4,7]	$ 125	$ 125	$ -
	Skyhawks Basketball Tots	Per 5-Week Session	[4,7]	$ 89	$ 89	$ -
	Hi-Five - Lil' Ballers	Per 4-Week Session	[4,7]		$ 75	$ 75
	Skyhawks Elite Basketball Skills	Per 5-Week Session	[4,7]	$ 125	$ 125	$ -
	Skyhawks Flag Football Camp	Per 5-Week Session	[4,7]	$ 220	$ 220	$ -
	Hi-Five Football Spring Camp	Per 1-Week Session	[4,7]		$ 299	$ 299
	Skyhawks Flag Football Skills	Per 5-Week Session	[4,7]	$ 111	$ 111	$ -
	Hi-Five - Lil' Heisman Flag Football	Per 4-Week Session	[4,7]		$ 75	$ 75
	Skyhawks Golf Camp	Per 1-Week Session	[4,7]	$ 220	$ 220	$ -
	Skyhawks MiniHawk Camp	Per 5-Week Session	[4,7]	$ 220	$ 220	$ -
	Skyhawks Multi Sport	Per 1-Week Session	[4,7]	$ 99	$ 99	$ -
	Hi-Five - Sports Summer Camp (Half Day)	Per 4-Week Session	[4,7]		$ 299	$ 299
	Hi-Five - Sports Summer Camp (Full Day)	Per 4-Week Session	[4,7]		$ 455	$ 455
	Hi-Five - Multi-Sport Spring Camp	Per 1-Week Session	[4,7]		$ 299	$ 299
	Hi-Five - Multi-Sport	Per 6-Week Session	[4,7]		$ 108	$ 108
	Hi-Five - Introduction to Sports & Fitness	Per 4-Week Session	[4,7]		$ 75	$ 75
	Skyhawks Soccer Camp	Per 5-Week Session	[4,7]	$ 220	$ 220	$ -
	Hi-Five - Soccer Spring Camp	Per 1-Week Session	[4,7]		$ 299	$ 299
	Skyhawks Soccer Skills (1/2 Day)	Per 5-Week Session	[4,7]	$ 99	$ 99	$ -
	Skyhawks Soccer Skills (Full Day)	Per 5-Week Session	[4,7]	$ 111	$ 111	$ -
	Skyhawks Soccer Tots	Per 5-Week Session	[4,7]	$ 89	$ 89	$ -
	Hi-Five Tot Soccer	Per 4-Week Session	[4,7]		$ 75	$ 75
	Skyhawks Track and Field	Per 5-Week Session	[4,7]	$ 109	$ 109	$ -
	Slimetopia Camps	Per 1-week session	[4,7]		$ 265	$ 265

Parks, Recreation & Community Services - Recreation Services Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Steam-Warts: Academy of Wizards, Spells & Potions	Per 1-week session	[4,7]		$ 250	$ 250
	Summer Fun Learning Spanish Camp	Per 4-day session	[4,7]		$ 236	$ 236
	All Sorts of Sports	Per 1-Week Session	[4,7]	$ 225	$ 225	$ -
	Kids Zumba	Per 8-Week Session	[4,7]		$ 100	$ 100
	Adult Zumba	Per 8-Week Session	[4,7]		$ 100	$ 100
	Zumba Gold	Per 8-Week Session	[4,7]		$ 100	$ 100
	Adult Brazilian Jiu-Jitsu	Per 6-Week Session	[4,7]		$ 175	$ 175
	Kids Brazilian Jiu-Jitsu	Per 6-Week Session	[4,7]		$ 175	$ 175
	Little Samurai's Brazilian Jiu-Jitsu	Per 6-Week Session	[4,7]		$ 175	$ 175
	Tiny Tigers Taekwondo	Per 5-Week Session	[4,7]	$ 209	$ 209	$ -
	Tiny Tigers Martial Arts	Per 4-Week Session	[4,7]		$ 209	$ 209
	White Belt Beginner Taekwondo	Per 5-Week Session	[4,7]	$ 209	$ 209	$ -
	White Belt Beginner	Per 4-Week Session	[4,7]		$ 209	$ 209
	World Mixed Martial Arts - Beginner	Per 6-Week Session	[4,7]		$ 60	$ 60
	World Mixed Martial Arts - Advanced	Per 6-Week Session	[4,7]		$ 70	$ 70
	High Intensity Cardio Kickboxing	Per 6-Week Session	[4,7]		$ 60	$ 60
	Arnis/Eskrima Stick & Open Hand Defense	Per 6-Week Session	[4,7]		$ 60	$ 60
	Dragons Kid Safe Martial Arts	Per 4-Week Session	[4,7]		$ 64	$ 64
	Students with Disabilities (WSD) Martial Arts	Per 5-Week Session	[4,7]		$ 72	$ 72
	Cardio Kicks- Kickboxing & Self-Defense Martial Arts	Per 5-Week Session	[4,7]		$ 72	$ 72
	Tiny Tots Martial Arts	Per 5-Week Session	[4,7]		$ 72	$ 72
	Teen & Adult Taekwondo	Per 5-Week Session	[4,7]	$ 209	$ 209	$ -
	Pinnacle Kids Taekwondo	Per 5-Week Session	[4,7]	$ 209	$ 209	$ -
	Foundations of Dog Training 101	Per 7-Week Session	[4,7]	$ 100	$ 103	$ 3
	Foundations of Dog Training 102	Per 7-Week Session	[4,7]	$ 100	$ 103	$ 3

Parks, Recreation & Community Services - Recreation Services Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
3	**Youth & Teens**					
	Teen Events					
	Minimum	Per Person	[7,9]	**$ 5**	**$ 6**	**$ 1**
	Maximum	Per Person	[7]	**$ 22**	**$ 23**	**$ 1**
	Teen Camps					
	Minimum	Per Week	[7]	**$ 80**	**$ 82**	**$ 2**
	Maximum	Per Week	[7]	**$ 100**	**$ 103**	**$ 3**
	Leaders in Training: Jr. Rec Leaders					
	Minimum	Per Week	[7]	**$ 100**	**$ 103**	**$ 3**
	Maximum	Per Week	[7]	**$ 150**	**$ 154**	**$ 4**
	Teen Trip (Transportation)		[8]			
	Minimum	Per Trip		**$ 40**	**$ 41**	**$ 1**
	Maximum	Per Trip		**$ 50**	**$ 51**	**$ 1**
4	**S.A.F.E. (Teen After School Program)**					
	Minimum	Per Membership Per School Year	[7]	**$ 58**	**$ 59**	**$ 1**
	Maximum	Per Membership Per School Year	[7]	**$ 115**	**$ 118**	**$ 3**
	Other:					
	Per Scrapbooking Class	Per Class	[9]	**$ 5**	**$ 6**	**$ 1**
	Per Cooking Class	Per Class	[9]	**$ 5**	**$ 6**	**$ 1**
5	**Mobile Recreation (Roll'n Rec)**	Per Person		**$ -**	**$ -**	**$ -**
6	**Youth Development**					
	Monthly ROC (Recreation on Campus After School)					
	Minimum	Per Regular, Per Month	[7]	**$ 208**	**$ 213**	**$ 5**
	Maximum	Per Regular, Per Month	[7]	**$ 277**	**$ 284**	**$ 7**
	ROC (Recreation on Campus After School)					
	Late Pick-Up					
	Minimum	Per Minute	[7, 9]	**$ 1**	**$ 2**	**$ 1**
	Maximum	Per Half Hour	[7]	**$ 35**	**$ 36**	**$ 1**
	Daily ROC (Recreation on Campus After School)					
	Minimum	Per Day	[7,9]	**$ 17**	**$ 18**	**$ 1**
	Maximum	Per Day	[7]	**$ 27**	**$ 28**	**$ 1**
	Hourly ROC (Recreation on Campus After School)					
	Minimum	Per Hour, Per Month	[7]	**$ 121**	**$ 124**	**$ 3**
	Maximum	Per Hour, Per Month	[7]	**$ 166**	**$ 170**	**$ 4**
	Summer Camp (Full Day) 7am-6pm					
	Minimum	Per Week	[7]	**$ 162**	**$ 166**	**$ 4**
	Maximum	Per Week	[7]	**$ 221**	**$ 227**	**$ 6**
	Summer Camp Extended Care Fees (7am-9am, 3pm-6pm)	Per Week	[7]	**$ 40**	**$ 41**	**$ 1**
	Summer Camp 9am-3pm ONLY	Per Week	[7]	**$ 173**	**$ 178**	**$ 5**
	Summer Camp (Half Day) 9am-12pm or 1pm-4pm*					
	Minimum	Per Week	[7]	**$ 74**	**$ 76**	**$ 2**
	Maximum	Per Week	[7]	**$ 104**	**$ 107**	**$ 3**
7	**Seniors**					
	Senior Health and Wellness					
	Power Walk	Per Class		**$ -**	**$ -**	**$ -**
	Senior Fitness					
	Daily Drop-In	Per Class	[10]	**$ 1**	**$ 1**	**$ -**
	25 - Visit Pass	Per Pass	[7]	**$ 23**	**$ 23**	**$ -**
	Senior Self Defense	Per Class	[10]	**$ 1**	**$ 1**	**$ -**

Parks, Recreation & Community Services - Recreation Services Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Senior Tai Chi	Per 4-Week Session	[7]	$ 22	$ 22	$ -
	Senior Chair Yoga	Per Class	[10]	$ 1	$ 1	$ -
	Senior Yoga	Per Class	[10]	$ 1	$ 1	$ -
	Senior Zumba Gold	Per Class	[10]	$ 1	$ 1	$ -
	Senior Indoor Tennis	Per Class	[10]	$ 1	$ 1	$ -
	5 Visit - Ballroom Dance Pass	Per Pass	[7]	$ 23	$ 23	$ -
	Senior Arts & Music		[7]			
	12 Visit Drop-In Activities Card	Per Card		$ 23	$ 23	$ -
	Arts & Craft Class	Per Class		$ -	$ -	$ -
	Arts & Craft Project		[10]			
	Minimum	Per Project		$ 5	$ 5	$ -
	Maximum	Per Project		$ 12	$ 12	$ -
	Painting	Per Class		$ -	$ -	$ -
	Scrapbooking	Per Class		$ -	$ -	$ -
	Needle Art	Per Class		$ -	$ -	$ -
	Jewelry Making	Per Class	[10]	$ 12	$ 12	$ -
	Card Making	Per Class	[10]	$ 2	$ 2	$ -
	Line Dancing	Per Class	[10]	$ 2	$ 2	$ -
	Country Jams	Per Class	[10]	$ 2	$ 2	$ -
	Senior Recreation					
	Tea Social	Per Class		$ -	$ -	$ -
	Bingo	Per Class		$ -	$ -	$ -
	Social Recreation Programs	Per Class		$ -	$ -	$ -
	Table Games	Per Class		$ -	$ -	$ -
	Indoor Pickleball	Per Class	[10]	$ 1	$ 1	$ -
	Ping Pong					
	Daily Drop-in	Per Class	[10]	$ 1	$ 1	$ -
	24- Visit pass	24-Visit Pass	[7]	$ 23	$ 23	$ -
	Senior Special Events (Includes Dances)					
	Minimum	Per Event	[7]	$ 5	$ 5	$ -
	Maximum	Per Event	[7]	$ 23	$ 23	$ -
	Booth for Special Events					
	Non-Profit	Per Event		$ 28	$ 28	$ -
	For-Profit	Per Event		$ 58	$ 58	$ -
	Senior Trips					
	Bus Trips (Resident/Non-Resident)		[7, 8]			
	Resident	Per Person		$ 37	$ 37	$ -
	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	$ 331	$ 8
	Maximum	Per Team	[5]	$ 599	$ 615	$ 16
	Adult/Youth Fast Pitch Leagues					
	Minimum	Per Team	[5]	$ 519	$ 533	$ 14
	Maximum	Per Team	[5]	$ 691	$ 709	$ 18
	Adult/Youth Softball Tournament					
	Minimum	Per Team	[5,6]	$ 288	$ 296	$ 8
	Maximum	Per Team	[5,6]	$ 577	$ 592	$ 15
	Adult Softball Protest Fee	Per Protest		$ 28	$ 29	$ 1
	Adult Flag Football League					
	Minimum	Per Team	[5]	$ 462	$ 474	$ 12
	Maximum	Per Team	[5]	$ 691	$ 709	$ 18
	Adult Kickball League					
	Minimum	Per Team	[5]	$ 317	$ 325	$ 8

Parks, Recreation & Community Services - Recreation Services Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Maximum	Per Team	[5]	$ 462	$ 474	$ 12
9	**Youth Sports**					
	Resident					
	Youth Basketball League (Youth Hoops)					
	Minimum	Per Player	[5,7]	$ 86	$ 88	$ 2
	Maximum	Per Player	[5,7]	$ 92	$ 95	$ 3
	Jr. Giants Youth Baseball (Free Program)	Per Player		$ -	$ -	$ -
	49er Prep Flag Football (Free Program)	Per Player		$ -	$ -	$ -
	Youth Sports Camps					
	Minimum	Per Player	[7]	$ 86	$ 88	$ 2
	Maximum	Per Player	[7]	$ 92	$ 95	$ 3
	Flag Football League					
	Minimum	Per Player	[5,7]	$ 86	$ 88	$ 2
	Maximum	Per Player	[5,7]	$ 104	$ 107	$ 3
	Friday Night Lights Flag Football League					
	Minimum	Per Player	[5,7]	$ 150	$ 154	$ 4
	Maximum	Per Player	[5,7]	$ 175	$ 180	$ 5
	Tracy Tots Baby Gym	Per 4-week session	[7]		$ 25	$ 25
10	**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	$ 5	$ -
	Maximum	Per Person		$ 25	$ 26	$ 1
	General Recreation Swim					
	Individual Entrance Fee					
	Minimum	Per Person		$ 2	$ 2	$ -
	Maximum	Per Person		$ 5	$ 5	$ -
	10 Visit Pass					
	Minimum	Per Pass		$ 26	$ 27	$ 1
	Maximum	Per Pass		$ 47	$ 48	$ 1
	Senior (50+) 10 Visit Pass					
	Minimum	Per Pass		$ 16	$ 16	$ -
	Maximum	Per Pass		$ 47	$ 48	$ 1
	Swim Lessons					
	Parent Tot					
	Minimum	Per Person	[7]	$ 26	$ 27	$ 1
	Maximum	Per 2 Week Session	[7]	$ 94	$ 96	$ 2
	Swim Skills (Levels 1-4)					
	Minimum	Per Person	[7]	$ 27	$ 28	$ 1
	Maximum	Per Person, Per 2 Week Session	[7]	$ 69	$ 71	$ 2
	Advanced Swim					
	Minimum	Per Person	[7]	$ 27	$ 28	$ 1
	Maximum	Per Person, Per 2 Week Session	[7]	$ 69	$ 71	$ 2
	Water Aerobics					
	Drop-in					
	Minimum	Per Person	[9]	$ 4	$ 5	$ 1
	Maximum	Per Person	[9]	$ 8	$ 9	$ 1
	10 Visit Pass					
	Minimum	Per Pass	[7]	$ 37	$ 38	$ 1
	Maximum	Per Pass	[7]	$ 79	$ 81	$ 2
	Senior Water Exercise - 10 Visit Pass					
	Minimum	Per Pass		$ 27	$ 28	$ 1
	Maximum	Per Pass		$ -	$ 40	$ 40
	Lap Swimming					
	Individual Entrance Fee					

Parks, Recreation & Community Services - Recreation Services Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Minimum	Per Person		$ 3	$ 3	$ -
	Maximum	Per Person		$ 5	$ 5	$ -
	10 Visit Pass					
	Minimum	Per Pass		$ 26	$ 27	$ 1
	Maximum	Per Pass		$ 47	$ 48	$ 1
	Other Classes/Programs					
	Introduction to Lifesaving					
	Minimum	2 Week Session	[7]	$ 58	$ 59	$ 2
	Maximum	2 Week Session	[7]	$ 63	$ 65	$ 2
	Swim Camp					
	Minimum	2 Week Session	[7]	$ 79	$ 81	$ 2
	Maximum	2 Week Session	[7]	$ 105	$ 108	$ 3
	Diving					
	Minimum	2 Week Session	[7]	$ 58	$ 59	$ 1
	Maximum	2 Week Session	[7]	$ 63	$ 65	$ 2
	Basic Water Polo					
	Minimum	2 Week Session	[7]	$ 58	$ 59	$ 1
	Maximum	2 Week Session	[7]	$ 63	$ 65	$ 2
	Water Polo Fundamental Clinics					
	Minimum	1 Week Session	[7]	$ -	$ 50	$ 50
	Maximum	1 Week Session	[7]	$ -	$ 55	$ 55
	Life Guard Training					
	Minimum	Per Person	[7]	$ 241	$ 247	$ 6
	Maximum	Per Person	[7]	$ -	$ 272	$ 272
	Lifeguard Recertification					
	Minimum	Per Person	[7]	$ -	$ 90	$ 90
	Maximum	Per Person	[7]	$ -	$ 99	$ 99
	Lifeguard Instructor Training					
	Minimum	Per Person	[7]	$ -	$ 200	$ 200
	Maximum	Per Person	[7]	$ -	$ 220	$ 220
	Lifeguard Instructor Recertification Training					
	Minimum	Per Person	[7]	$ -	$ 125	$ 125
	Maximum	Per Person	[7]	$ -	$ 138	$ 138
	Private Swim Lesson (Saturday Only)					
	Minimum	Per Day	[7, 9]	$ 12	$ 13	$ 1
	Maximum	Per Day	[7, 9]	$ 14	$ 15	$ 1
11	**Special Events**					
	Event Ticket					
	Minimum	Per Person		$ 19	$ 20	$ 1
	Maximum	Per Person		$ 42	$ 43	$ 1
	Event Booth Fee					
	Minimum	Per Booth		$ 26	$ 27	$ 1
	Maximum	Per Booth		$ 157	$ 161	$ 4
	Contest Entry Fee					
	Minimum	Per Entry		$ 26	$ 27	$ 1
	Maximum	Per Entry		$ 42	$ 43	$ 1
12	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	$ 229	$ 6
	After Business Hours	Per Hour		$ 248	$ 255	$ 7
	Part-Time					
	During Business Hours	Per Hour		$ 28	$ 29	$ 1
	After Business Hours	Per Hour		$ 32	$ 33	$ 1

Parks, Recreation & Community Services - Recreation Services Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference

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
[9] If CPI increases is less than $1, fee will be increased by $1
[10] If fee is $1 or more, non-resident fee pay an additional $1

Parks, Recreation & Community Services - Community Facilities Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
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**	**$ 108**	**$ 3**
	Verification of non-profit status	Per Verification	[5]	**$ 15**	**$ 15**	**$ -**
	Private/Commercial					
	Special Event Permit Application & Review Fee (to be charged for every permitted reservation requiring "further review", per published list)	Per Application		**$ 210**	**$ 215**	**$ 5**
	Facility Rental Application Fee - Applied to all rental permit requests (Excluding Special Events)	Per Application		**$ 40**	**$ 41**	**$ 1**
	Improper Checkout - Renters violating permit conditions(e.g. staying past reservation time, unauthorized items, etc.)					
	Minimum	Per Occurrence		**$ 74**	**$ 76**	**$ 2**
	Maximum	Per Occurrence		**$ 200**	**$ 205**	**$ 5**
2	**Community Center Rentals**					
	Main Hall (5,300 Sq Ft)					
	Weekday Only					
	Non-Profit	Per Hour (4 hour Min.)		**$ 46**	**$ 47**	**$ 1**
	Private Classification	Per Hour (4 hour Min.)		**$ 79**	**$ 81**	**$ 2**
	Commercial	Per Hour (4 hour Min.)		**$ 112**	**$ 115**	**$ 3**
	Conference Room A or B (250 Sq Ft)					
	Weekday Only					
	Non-Profit	Per Hour (4 hour Min.)	[5]	**$ 9**	**$ 10**	**$ 1**
	Private Classification	Per Hour (4 hour Min.)	[5]	**$ 15**	**$ 16**	**$ 1**
	Commercial	Per Hour (4 hour Min.)		**$ 20**	**$ 21**	**$ 1**
	Entire Facility (6,200 Sq Ft)					
	Weekday					
	Non-Profit	Per Hour (4 hour Min.)		**$ 51**	**$ 53**	**$ 2**
	Private Classification	Per Hour (4 hour Min.)		**$ 91**	**$ 94**	**$ 3**
	Commercial	Per Hour (4 hour Min.)		**$ 129**	**$ 132**	**$ 3**
	Weekend					
	Non-Profit	Per Hour (4 hour Min.)		**$ 77**	**$ 79**	**$ 2**
	Private Classification	Per Hour (4 hour Min.)		**$ 131**	**$ 135**	**$ 3**
	Commercial	Per Hour (4 hour Min.)		**$ 186**	**$ 191**	**$ 5**
	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**	**$ 55**	**$ 1**
	Dumpster Fee	Actual Cost		**Actual Cost**	**Actual Cost**	**-**
	Deposit		[1]			
	Main Hall	Per Rental		**$ 544**	**$ 559**	**$ 15**
	Conference Room A or B	Per Rental		**$ 272**	**$ 279**	**$ 7**
	Entire Facility	Per Rental		**$ 544**	**$ 559**	**$ 15**
	Alcohol Deposit	Per Rental		**$ 544**	**$ 559**	**$ 15**
3	**Tracy Sports Complex Meeting Room Rental**					
	TSC Meeting Room (700 Sq Ft)					
	Non-Profit	Per Hour	[5]	**$ 19**	**$ 20**	**$ 1**

Parks, Recreation & Community Services - Community Facilities Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Private Classification	Per Hour		$ 34	$ 35	$ 1
	Commercial	Per Hour		$ 47	$ 48	$ 1
	Deposit		[1]			
	Meeting Room	Per Rental		$ 272	$ 279	$ 7
	Alcohol Deposit	Per Rental		$ 544	$ 559	$ 15
4	**Tracy Transit Station**					
	Room 103 or 104 (590 Sq Ft)		[3]			
	Weekday					
	Non-Profit	Per Hour (2 hour Min.)		$ 23	$ 24	$ 1
	Private Classification	Per Hour (2 hour Min.)		$ 41	$ 42	$ 1
	Commercial	Per Hour (2 hour Min.)		$ 58	$ 59	$ 1
	Weekend					
	Non-Profit	Per Hour (2 hour Min.)		$ 35	$ 36	$ 1
	Private Classification	Per Hour (2 hour Min.)		$ 61	$ 62	$ 1
	Commercial	Per Hour (2 hour Min.)		$ 84	$ 86	$ 2
	Room 103 and 104 (1,180 Sq Ft)		[3]			
	Weekday					
	Non-Profit	Per Hour (2 hour Min.)		$ 45	$ 48	$ 3
	Private Classification	Per Hour (2 hour Min.)		$ 79	$ 84	$ 5
	Commercial	Per Hour (2 hour Min.)		$ 116	$ 119	$ 3
	Weekend					
	Non-Profit	Per Hour (2 hour Min.)		$ 68	$ 72	$ 4
	Private Classification	Per Hour (2 hour Min.)		$ 123	$ 126	$ 3
	Commercial	Per Hour (2 hour Min.)		$ 174	$ 179	$ 5
	Room 105 (913 Sq Ft)					
	Weekday					
	Non-Profit	Per Hour (2 hour Min.)		$ 36	$ 37	$ 1
	Private Classification	Per Hour (2 hour Min.)		$ 63	$ 65	$ 2
	Commercial	Per Hour (2 hour Min.)		$ 90	$ 93	$ 3
	Weekend					
	Non-Profit	Per Hour (2 hour Min.)		$ 55	$ 56	$ 1
	Private Classification	Per Hour (2 hour Min.)		$ 95	$ 98	$ 3
	Commercial	Per Hour (2 hour Min.)		$ 135	$ 139	$ 4
	Entire Facility (4,044 Sq Ft)					
	Weekday					
	Non-Profit	Per Hour (4 hour Min.)		$ 106	$ 109	$ 3
	Private Classification	Per Hour (4 hour Min.)		$ 186	$ 191	$ 5
	Commercial	Per Hour (4 hour Min.)		$ 264	$ 271	$ 7
	Weekend					
	Non-Profit	Per Hour (4 hour Min.)		$ 158	$ 163	$ 5

Parks, Recreation & Community Services - Community Facilities Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Private Classification	Per Hour (4 hour Min.)		$ 279	$ 286	$ 7
	Commercial	Per Hour (4 hour Min.)		$ 398	$ 408	$ 10
	Deposit		[1]			
	All Conference Rooms	Per Rental		$ 272	$ 279	$ 7
	Entire Facility	Per Rental		$ 544	$ 559	$ 15
	Alcohol Deposit	Per Rental		$ 544	$ 559	$ 15
5	**Tracy Civic Center Rental**					
	Council Chambers (3,500 Sq Ft)		[3]			
	Weekday					
	Non-Profit	Per Hour (2 hour Min.)		$ 26	$ 42	$ 16
	Private Classification	Per Hour (2 hour Min.)		$ 60	$ 62	$ 2
	Commercial	Per Hour (2 hour Min.)		$ 103	$ 106	$ 3
	Weekend					
	Non-Profit	Per Hour (2 hour Min.)		$ 45	$ 62	$ 17
	Private Classification	Per Hour (2 hour Min.)		$ 108	$ 111	$ 3
	Commercial	Per Hour (2 hour Min.)		$ 155	$ 159	$ 4
	Conference Room #109 (500 Sq Ft)					
	Weekday					
	Non-Profit	Per Hour (2 hour Min.)	[5]	$ 19	$ 20	$ 1
	Private Classification	Per Hour (2 hour Min.)		$ 34	$ 35	$ 1
	Commercial	Per Hour (2 hour Min.)		$ 49	$ 51	$ 2
	Weekend					
	Non-Profit	Per Hour (2 hour Min.)		$ 29	$ 30	$ 1
	Private Classification	Per Hour (2 hour Min.)		$ 50	$ 52	$ 2
	Commercial	Per Hour (2 hour Min.)		$ 72	$ 74	$ 2
	Conference Room #203 (825 Sq Ft)					
	Weekday					
	Non-Profit	Per Hour (2 hour Min.)		$ 33	$ 34	$ 1
	Private Classification	Per Hour (2 hour Min.)		$ 57	$ 58	$ 1
	Commercial	Per Hour (2 hour Min.)		$ 81	$ 83	$ 2
	Weekend					
	Non-Profit	Per Hour (2 hour Min.)		$ 49	$ 51	$ 2
	Private Classification	Per Hour (2 hour Min.)		$ 85	$ 87	$ 2
	Commercial	Per Hour (2 hour Min.)		$ 122	$ 125	$ 3
	Lobby					
	Weekday					
	Non-Profit	Per Hour (4 hour Min.)		$ 51	$ 53	$ 2
	Private Classification	Per Hour (4 hour Min.)		$ 90	$ 93	$ 3
	Commercial	Per Hour (4 hour Min.)		$ 129	$ 132	$ 3

Parks, Recreation & Community Services - Community Facilities Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Weekend					
	Non-Profit	Per Hour (4 hour Min.)		$ 52	$ 54	$ 2
	Private Classification	Per Hour (4 hour Min.)		$ 93	$ 96	$ 3
	Commercial	Per Hour (4 hour Min.)		$ 193	$ 198	$ 5
	Deposit		[1]			
	All Conference Rooms	Per Rental		$ 272	$ 279	$ 7
	Lobby or Entire Facility	Per Rental		$ 544	$ 559	$ 15
	Alcohol Deposit	Per Rental		$ 544	$ 559	$ 15
6	**Park and Picnic Areas**					
	Park/Picnic - 1 to 50 People					
	Non-Profit	Per Hour (2 hour Min.)	[5]	$ 17	$ 18	$ 1
	Private Classification	Per Hour (2 hour Min.)		$ 29	$ 30	$ 1
	Commercial	Per Hour (2 hour Min.)		$ 43	$ 44	$ 1
	Park/Picnic - 51 to 100 People					
	Non-Profit	Per Hour (2 hour Min.)		$ 24	$ 25	$ 1
	Private Classification	Per Hour (2 hour Min.)		$ 43	$ 44	$ 1
	Commercial	Per Hour (2 hour Min.)		$ 62	$ 64	$ 2
	Park/Picnic - 101+ People					
	Non-Profit	Per Hour (2 hour Min.)		$ 33	$ 34	$ 1
	Private Classification	Per Hour (2 hour Min.)		$ 57	$ 58	$ 1
	Commercial	Per Hour (2 hour Min.)		$ 81	$ 83	$ 2
	Inflatable Structures Administrative Fee	Per Day, Per Structure	[2]	$ 58	$ 59	$ 1
	Non-Profit Max Daily Rental Rate	Per Rental		$ 129	$ 132	$ 3
	Deposits					
	Less than 50, Traditional Activity	Per Rental		$ -	$ -	$ -
	50-100; or Less than 5 Non-traditional	Per Rental		$ 130	$ 133	$ 3
	101-200 attendees	Per Rental		$ 258	$ 265	$ 7
	201-300 attendees	Per Rental		$ 387	$ 397	$ 10
	301 and above attendees	Per Rental		$ 645	$ 662	$ 17
7	**Parking Lot Rental (Locations and Availability at City Discretion)**					
	Base Fee	10 Hour Max.		$ 127	$ 130	$ 3
	Plus Use Fee					
	Non-Profit	Per Parking Lot Space	[5]	$ 2	$ 3	$ 1
	Private Classification	Per Parking Lot Space	[5]	$ 5	$ 6	$ 1
	Commercial	Per Parking Lot Space	[5]	$ 6	$ 7	$ 1
8	**Mobile Stage Rental**					
	"A" Set Up (36' x 14')					
	Non-Profit	Per Rental		$ 403	$ 413	$ 10
	Deposits					
	Non-Profit	Per Rental		$ 544	$ 559	$ 15
9	**Tennis Court Rental**					
	Non-Profit Youth					

Parks, Recreation & Community Services - Community Facilities Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Practice/Games	Per Hour, Per Court	[5]	$ 6	$ 7	$ 1
	League	Per Hour, Per Court	[5]	$ 6	$ 7	$ 1
	Tournament	Per Hour, Per Court	[5]	$ 13	$ 14	$ 1
	Non-Profit Adult					
	Practice/Games	Per Hour, Per Court	[5]	$ 6	$ 7	$ 1
	League	Per Hour, Per Court	[5]	$ 6	$ 7	$ 1
	Tournament	Per Hour, Per Court	[5]	$ 15	$ 16	$ 1
	Private					
	Practice/Games	Per Hour, Per Court	[5]	$ 8	$ 9	$ 1
	League	Per Hour, Per Court	[5]	$ 8	$ 9	$ 1
	Tournament	Per Hour, Per Court	[5]	$ 19	$ 20	$ 1
	Commercial					
	Practice/Games	Per Hour, Per Court	[5]	$ 13	$ 14	$ 1
	League	Per Hour, Per Court	[5]	$ 13	$ 14	$ 1
	Tournament	Per Hour, Per Court	[5]	$ 19	$ 26	$ 7
	Tennis Court Rental Deposit	Per Hour, Per Court		$ 64	$ 66	$ 2
10	**Tennis Court Rental Lights**					
	Non-Profit Youth					
	Practice/Games	Per Hour, Per Court	[5]	$ 6	$ 7	$ 1
	League	Per Hour, Per Court	[5]	$ 8	$ 9	$ 1
	Tournament	Per Hour, Per Court	[5]	$ 10	$ 11	$ 1
	Non-Profit Adult					
	Practice/Games	Per Hour, Per Court	[5]	$ 6	$ 7	$ 1
	League	Per Hour, Per Court	[5]	$ 13	$ 14	$ 1
	Tournament	Per Hour, Per Court	[5]	$ 15	$ 16	$ 1
	Private/Commercial					
	Practice/Games	Per Hour, Per Court	[5]	$ 13	$ 14	$ 1
	League	Per Hour, Per Court	[5]	$ 15	$ 16	$ 1
	Tournament	Per Hour, Per Court	[5]	$ 17	$ 18	$ 1
11	**Lolly Hansen Senior Center Rental**					
	Main Hall (3120 Sq Ft)					
	Weekday					
	Non-Profit	Per Hour (4 hour Min.)		$ 110	$ 113	$ 3
	Private Classification	Per Hour (4 hour Min.)		$ 170	$ 174	$ 4
	Commercial	Per Hour (4 hour Min.)		$ 229	$ 235	$ 6
	Weekend					

Parks, Recreation & Community Services - Community Facilities Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Non-Profit	Per Hour (4 hour Min.)		$ 150	$ 154	$ 4
	Private Classification	Per Hour (4 hour Min.)		$ 240	$ 246	$ 6
	Commercial	Per Hour (4 hour Min.)		$ 329	$ 338	$ 9
	Outdoor Area (1948 Sq Ft) Only Included with Main Hall or Entire Facility Rental					
	Weekday					
	Non-Profit	Per Hour (4 hour Min.)		$ -	$ 71	$ 71
	Private Classification	Per Hour (4 hour Min.)		$ -	$ 92	$ 92
	Commercial	Per Hour (4 hour Min.)		$ -	$ 120	$ 120
	Weekend					
	Non-Profit	Per Hour (4 hour Min.)		$ -	$ 107	$ 107
	Private Classification	Per Hour (4 hour Min.)		$ -	$ 139	$ 139
	Commercial	Per Hour (4 hour Min.)		$ -	$ 181	$ 181
	Classroom 1 (499 Sq Ft)					
	Weekday Only					
	Non-Profit	Per Hour (4 hour Min.)		$ 50	$ 51	$ 1
	Private Classification	Per Hour (4 hour Min.)		$ 64	$ 66	$ 2
	Commercial	Per Hour (4 hour Min.)		$ 79	$ 81	$ 2
	Classroom 2 (739 Sq Ft)					
	Weekday Only					
	Non-Profit	Per Hour (4 hour Min.)		$ 59	$ 61	$ 2
	Private Classification	Per Hour (4 hour Min.)		$ 80	$ 82	$ 2
	Commercial	Per Hour (4 hour Min.)		$ 102	$ 105	$ 3
	Classroom 1 & 2 Combo (1,238 Sq Ft)					
	Weekday					
	Non-Profit	Per Hour (4 hour Min.)		$ 76	$ 112	$ 36
	Private Classification	Per Hour (4 hour Min.)		$ 110	$ 148	$ 38
	Commercial	Per Hour (4 hour Min.)		$ 147	$ 186	$ 39
	Weekend					
	Non-Profit	Per Hour (4 hour Min.)		$ 99	$ 143	$ 44
	Private Classification	Per Hour (4 hour Min.)		$ 154	$ 189	$ 35
	Commercial	Per Hour (4 hour Min.)		$ 205	$ 241	$ 36
	Entire Facility (5819 Sq Ft)					
	Weekday					
	Non-Profit	Per Hour (4 hour Min.)		$ 163	$ 167	$ 4
	Private Classification	Per Hour (4 hour Min.)		$ 263	$ 270	$ 7
	Commercial	Per Hour (4 hour Min.)		$ 360	$ 369	$ 9
	Weekend					

Parks, Recreation & Community Services - Community Facilities Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Non-Profit	Per Hour (4 hour Min.)		$ 228	$ 234	$ 6
	Private Classification	Per Hour (4 hour Min.)		$ 379	$ 389	$ 10
	Commercial	Per Hour (4 hour Min.)		$ 527	$ 541	$ 14
	Deposit		[1]			
	Main Hall	Per Rental		$ 544	$ 559	$ 15
	All Classrooms	Per Rental		$ 272	$ 279	$ 7
	Entire Facility	Per Rental		$ 544	$ 559	$ 15
	Alcohol Deposit	Per Rental		$ 544	$ 559	$ 15
	Additional Fees					
	Extra Dumpster Disposal Fee (Required for Rentals as Deemed Necessary by Staff)					
	Processing Fee	Per Rental, Per Dumpster		$ 53	$ 55	$ 1
	Dumpster Fee	Actual Cost		Actual Cost	Actual Cost	-
12	**Sports Facilities (Ritter Family Ballpark, TSC, Plasencia Fields, Tiago, Galli, Clyde Bland, Veterans & Legacy Fields)**					
	Unauthorized Permit Use					
	Minimum	Per Occurrence		$ 5	$ 5	$ -
	Maximum	Per Occurrence		$ 15	$ 15	$ -
	No Show Occurance					
	Minimum	Per Occurrence		$ 5	$ 5	$ -
	Maximum	Per Occurrence		$ 15	$ 15	$ -
	Standard Field (Ritter Family Ballpark, Tiago, Clyde, Galli, Veteran Fields, Plasencia Fields)					
	League/Individual					
	Non-Profit Youth Classification	Per Hour, Per Field		$ 10	$ 10	$ -
	Non-Profit Adult Classification	Per Hour, Per Field		$ 15	$ 15	$ -
	Private Classification	Per Hour, Per Field		$ 28	$ 28	$ -
	Commercial Classification	Per Hour, Per Field		$ 39	$ 39	$ -
	Premium Field (TSC, Legacy Fields)					
	League/Individual					
	Non-Profit Youth Classification	Per Hour, Per Field		$ 12	$ 12	$ -
	Non-Profit Adult Classification	Per Hour, Per Field		$ 19	$ 19	$ -
	Private Classification	Per Hour, Per Field		$ 28	$ 34	$ 6
	Commercial Classification	Per Hour, Per Field		$ 39	$ 46	$ 7
	Lights Fee - League/Individual					
	Non-Profit Youth Classification	Per Hour, Per Field		$ 10	$ 10	$ -
	Non-Profit Adult Classification	Per Hour, Per Field		$ 13	$ 13	$ -
	Private Classification	Per Hour, Per Field		$ 17	$ 17	$ -
	Commercial Classification	Per Hour, Per Field		$ 24	$ 24	$ -
	Deposit for Baseball/Softball Bases	Per Rental		$ 288	$ 288	$ -
	Storage Container License	Per Sq. Ft. of Ground Space		$ 0.51	$ 0.51	$ -
	Daily Fee - Tournaments - Standard Fields					
	Non-Profit Youth Classification	Per Hour, Per Field		$ 81	$ 81	$ -

Parks, Recreation & Community Services - Community Facilities Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Non-Profit Adult Classification	Per Hour, Per Field		$ 131	$ 131	$ -
	Private Classification	Per Hour, Per Field		$ 163	$ 163	$ -
	Commercial Private Classification	Per Hour, Per Field		$ 195	$ 195	$ -
	Daily Fee - Tournaments - Premium Fields					
	Non-Profit Youth Classification	Per Hour, Per Field		$ 109	$ 109	$ -
	Non-Profit Adult Classification	Per Hour, Per Field		$ 145	$ 145	$ -
	Private Classification	Per Hour, Per Field		$ 281	$ 281	$ -
	Commercial Private Classification	Per Hour, Per Field		$ 387	$ 387	$ -
	Lights Fee - Tournaments					
	Non-Profit Youth Classification	Per Hour, Per Field		$ 10	$ 10	$ -
	Non-Profit Adult Classification	Per Hour, Per Field		$ 13	$ 13	$ -
	Private Classification	Per Hour, Per Field		$ 13	$ 18	$ 5
	Commercial Classification	Per Hour, Per Field		$ 13	$ 25	$ 12
	Field Damage Deposit	Per Field		$ 121	$ 121	$ -
	Gate Fee - Tournaments					
	All Classifications	Per Tournament		$ 125	$ 125	$ -
	On-site Staffing Fee for Sports Fields Use					
	All Classifications	Per Hour, Per Complex		$ 33	$ 33	$ -
	Softball Field Preparations					
	A Prep - Light Watering	Per Preparation		$ 13	$ 13	$ -
	B Prep - Light Watering, Minor Dragging	Per Preparation		$ 19	$ 19	$ -
	C Prep - Full Field Preparation	Per Preparation		$ 50	$ 50	$ -
	Outfield Fencing Rental	Per Field		$ 143	$ 143	$ -
	Concession Stands					
	Non-Profit	Per Occurrence		$ 5	$ 5	$ -
	Private	Per Occurrence		$ 8	$ 8	$ -
	Commercial Private Classification	Per Occurrence		$ 12	$ 12	$ -
	Monthly Rental Rate	Per Month		$ 152	$ 152	$ -
	Mobile Food Truck	Per Occurrence		$ 5	$ 5	$ -

Parks, Recreation & Community Services - Community Facilities Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
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**	**$ 86**	**$ 2**
	Up to 50 People, Includes 1 Senior Lifeguard & 1 Lifeguard					
	Non-Profit Classification	Per Hour (Min. 2 Hours)		**$ 102**	**$ 104**	**$ 2**
	Private Classification	Per Hour (Min. 2 Hours)		**$ 113**	**$ 116**	**$ 3**
	Commercial Classification	Per Hour (Min. 2 Hours)		**$ 125**	**$ 128**	**$ 3**
	Up to 75 People, Includes 1 Senior Lifeguard & 2 Lifeguards					
	Non-Profit Classification	Per Hour (Min. 2 Hours)		**$ 120**	**$ 123**	**$ 3**
	Private Classification	Per Hour (Min. 2 Hours)		**$ 131**	**$ 135**	**$ 4**
	Commercial Classification	Per Hour (Min. 2 Hours)		**$ 143**	**$ 146**	**$ 3**
	Up to 100 People, Includes 1 Senior Lifeguard & 3 Lifeguards					
	Non-Profit Classification	Per Hour (Min. 2 Hours)		**$ 137**	**$ 141**	**$ 4**
	Private Classification	Per Hour (Min. 2 Hours)		**$ 149**	**$ 153**	**$ 4**
	Commercial Classification	Per Hour (Min. 2 Hours)		**$ 162**	**$ 166**	**$ 4**
	Deposits					
	All Classifications, All Group Sizes	Per Rental		**$ 179**	**$ 184**	**$ 5**
	Additional Joe Wilson Pool Rental Fees					
	Extra lifeguard (as deemed necessary by staff, based on event)	Per Hour, Per Lifeguard		**$ 18**	**$ 18**	**$ -**
	Recreational Swim Pavilion Rental (1089 sqft)	Per Hour		$ -	**$ 30**	**$ 30**
14	**Airport Rental**					
	New Jersusalem Rental Area	Per Day		**$ 1,404**	**$ 1,440**	**$ 36**
	Tracy Municipal Airport Rental Area	Per Day		**$ 1,404**	**$ 1,440**	**$ 36**
15	**City Owned Airport Hangar Rental Rates**					
	F-Series	Per Month		**$ 263**	**$ 281**	**$ 18**
	3-Series	Per Month		**$ 319**	**$ 342**	**$ 22**
	4-Series	Per Month		**$ 319**	**$ 342**	**$ 22**
	G-Series	Per Month		**$ 331**	**$ 354**	**$ 23**
	B-Series	Per Month		**$ 441**	**$ 471**	**$ 30**
16	**Parades on Downtown Streets**		[4]			
	Short Parade Route					
	Non-Profit Classification	Per Parade		**$ 1,193**	**$ 1,224**	**$ 31**
	Standard Parade Route					

Parks, Recreation & Community Services - Community Facilities Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Non-Profit Classification	Per Parade		$ 1,492	$ 1,530	$ 39
	Long Parade Route					
	Non-Profit Classification	Per Parade		$ 1,909	$ 1,959	$ 50
17	**Co-Sponsorship Events**					
	Indoor City Facility Rental	Per Event		$ -	$ -	$ -
	Outdoor City Facility Rental	Per Event		$ -	$ -	$ -
	Street Closures (i.e barricades, signage, delineator, etc.)	Per Event		$ -	$ -	$ -
	City Equipment & Material (i.e. mobile stage, etc)	Per Event		$ -	$ -	$ -
	City Staffing	Per Event		$ -	$ -	$ -
	Encroachment Permit	Per Event		$ -	$ -	$ -
18	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	$ 229	$ 6
	After Business Hours	Per hour		$ 248	$ 255	$ 7
	Part-Time					
	During Business Hours	Per hour		$ 28	$ 29	$ 1
	After Business Hours	Per hour		$ 32	$ 33	$ 1

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.

[5] If the CPI increase is $1 or less, a $1 increase will be applied to that fee

Parks, Recreation & Community Services -
Cultural Arts (Grand Theatre) Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
1	**Deposits**					
	EK Theatre	Per Use	[1]	$ 550	$ 550	$ -
	Studio Theatre	Per Use	[2]	$ 275	$ 275	$ -
	Dance Studio	Per Use		$ 110	$ 110	$ -
	Visual Arts I & II	Per Use		$ 110	$ 110	$ -
	Children's Studio	Per Use		$ 110	$ 110	$ -
	Ceramic & Fused Glass Studio	Per Use		$ 110	$ 110	$ -
	Music Studio I	Per Use		$ 100	$ 100	$ -
	Music Studio II	Per Use		$ 75	$ 75	$ -
	Music Studio III	Per Use		$ 50	$ 50	$ -
	Music Studio IV	Per Use		$ 100	$ 100	$ -
	Grand Galleries	Per Use		$ 150	$ 150	$ -
	Lobby Areas	Per Use		$ 250	$ 250	$ -
	Loggia	Per Use		$ 50	$ 50	$ -
2	**EK Theatre Rentals**					
	Non-Profit			**Minimum 10% of ticket sales, or fees listed below, whichever is greater.**	**Minimum 10% of ticket sales, or fees listed below, whichever is greater.**	-
	Prime Time Rental: Rehearsal or Performance (Non-profit)					
	First 8 Hours	First 8 Hours	[3]	$ 631	$ 647	$ 16
	Each Additional Hour	Each Add'l Hr		$ 110	$ 113	$ 3
	Non-Prime Time Rental: Rehearsal or Performance (Non-Profit)					
	First 8 Hours	First 8 Hours	[3]	$ 315	$ 323	$ 8
	Each Additional Hour	Each Add'l Hr		$ 110	$ 113	$ 3
	Prime Time Co-Present or Resident Company: Performance or Rehearsal (Non-Profit)					
	Per 8 Hours	Per 8 Hours	[3]	$ 506	$ 519	$ 13
	Non-Prime Time Co-Present or Rental Resident Company: Rental Rehearsal or Performance (Non-Profit)					
	Per 8 Hours	Per 8 Hours	[3]	$ 253	$ 260	$ 7
	Commercial			**Minimum 15% of ticket sales, or fees listed below, whichever is greater.**	**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	$ 1,941	$ 49
	Each Additional Hour	Each Add'l Hr		$ 330	$ 339	$ 9
	Prime Time Rental: Rehearsal (Commercial)					
	First 8 Hours	First 8 Hours	[3]	$ 1,892	$ 1,941	$ 49
	Each Additional Hour	Each Add'l Hr		$ 330	$ 339	$ 9
	Non-Prime Time Rental: Rehearsal or Performance (Commercial)					
	First 8 Hours	First 8 Hours	[3]	$ 824	$ 845	$ 21
	Each Additional Hour	Each Add'l Hr		$ 330	$ 339	$ 9
3	**Studio Theatre Rentals**					

Parks, Recreation & Community Services -
Cultural Arts (Grand Theatre) Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Non-Profit			**Minimum 10% of ticket sales, or fees listed below, whichever is greater.**	**Minimum 10% of ticket sales, or fees listed below, whichever is greater.**	-
	Prime Time Rental: Rehearsal or Performance					
	First 5 Hours	First 5 Hours	[3]	**$ 121**	**$ 124**	**$ 3**
	Each Additional Hour	Each Add'l Hr		**$ 66**	**$ 68**	**$ 2**
	Non-Prime Time Rental: Rehearsal or Performance					
	First 5 Hours	First 5 Hours	[3]	**$ 88**	**$ 90**	**$ 2**
	Each Additional Hour	Each Add'l Hr		**$ 66**	**$ 68**	**$ 2**
	Prime Time Co-Present or Resident Company: Rehearsal or Performance					
	Per 5 Hours	Per 5 Hours	[3]	**$ 97**	**$ 100**	**$ 3**
	Non-Prime Time Co-Present or Resident Company: Rehearsal or Performance					
	Per 5 Hours	Per 5 Hours	[3]	**$ 70**	**$ 72**	**$ 2**
	Commercial			**Minimum 15% of ticket sales, or fees listed below, whichever is greater.**	**Minimum 15% of ticket sales, or fees listed below, whichever is greater.**	-
	Prime Time Rental: Rehearsal or Performance					
	First 5 Hours	First 5 Hours	[3]	**$ 330**	**$ 372**	**$ 42**
	Each Additional Hour	Each Add'l Hr		**$ 198**	**$ 203**	**$ 5**
	Non-Prime Time Rental: Rehearsal or Performance					
	First 5 Hours	First 5 Hours	[3]	**$ 363**	**$ 372**	**$ 9**
	Each Additional Hour	Each Add'l Hr		**$ 198**	**$ 203**	**$ 5**
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**	**$ 113**	**$ 3**
	Each Additional Hour	Each Add'l Hr		**$ 55**	**$ 56**	**$ 1**
	Commercial					
	First 2 Hours	First 2 Hours		**$ 220**	**$ 226**	**$ 6**
	Each Additional Hour	Each Add'l Hr		**$ 110**	**$ 113**	**$ 3**
5	**Studio Theatre**					
	Private & Group Instruction *Group Recital, Educational Events* *Meetings and Facility Event Use* *Rehearsal (Non-event Use)* *>Does Not Include Furniture Set or A/V Amenities* *>Does Not Include Tech Support (See Labor Fees)* *>Non-Educational/Performance Use (See Theatre Rental Options)*					
	Non-Profit					
	First 2 Hours	First 2 Hours		**$ 110**	**$ 113**	**$ 3**
	Each Additional Hour	Each Add'l Hr		**$ 55**	**$ 56**	**$ 1**
	Commercial					
	First 2 Hours	First 2 Hours		**$ 220**	**$ 226**	**$ 6**

Parks, Recreation & Community Services -
Cultural Arts (Grand Theatre) Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Each Additional Hour	Each Add'l Hr		$ 110	$ 113	$ 3
6	**Visual Arts I & II / Children's Studio**					
	Private & Group Instruction *Group Recital, Educational Events* *Visual Arts Labs* *Meetings and Facility Event Use* *>Includes Basic Furniture Set & Studio Amenities* *>Does not include use of Printmaking Lab in VAII*					
	Non-Profit					
	First 2 Hours	First 2 Hours		$ 82	$ 84	$ 2
	Each Additional Hour	Each Add'l Hr		$ 44	$ 45	$ 1
	Commercial					
	First 2 Hours	First 2 Hours		$ 165	$ 169	$ 4
	Each Additional Hour	Each Add'l Hr		$ 82	$ 84	$ 2
7	**Ceramic & Fused Glass Studio**					
	Private & Group Instruction *>Includes Basic Furniture Set & Studio Amenities* *>Requires Staff Supervision (See Labor Fees)* *>Not available for Non-Educational/Studio Use* *>Does not include Firing & Materials (See Ceramic & Fused Glass Fees)*					
	Non-Profit					
	First 2 Hours	First 2 Hours		$ 82	$ 84	$ 2
	Each Additional Hour	Each Add'l Hr		$ 44	$ 45	$ 1
	Commercial					
	First 2 Hours	First 2 Hours		$ 165	$ 169	$ 4
	Each Additional Hour	Each Add'l Hr		$ 82	$ 84	$ 2
8	**Private Art Making Event**					
	Private & Group Instruction with Staff Assigned Room Rental in the Studio *Theatre, Visual Arts 01 & 02, Children's Studio, Ceramics & Fused Glass Studio* *>Includes Basic Furniture Set & Studio Amenities* *>Requires Staff Supervision (See Labor Fees)* *>Activity Dependent Materials Fee*					
	Non-Profit					
	First 2 Hours	First 2 Hours		$ 40	$ 41	$ 1
	Each Additional Hour	Each Add'l Hr		$ 20	$ 21	$ 1
	Activity Dependent Materials	Per Participant		$5 - 35	$5 - 35	-
	Commercial					
	First 2 Hours	First 2 Hours		$ 80	$ 82	$ 2
	Each Additional Hour	Each Add'l Hr		$ 40	$ 41	$ 1
	Activity Dependent Materials	Per Participant		$5 - 35	$5 - 35	-
9	**Music Studio I**					
	Private & Group Instruction *Instrument & Voice Lab* *Group Recital, Educational Events* *Rehearsal* *Up to 20 users* *>Includes Basic Furniture Set & Studio Amenities* *>Includes Use of Spinet Piano, Baby Grand Piano, and/or Electric Piano* *>Does not include Use of Other Resident Instruments (See Miscellaneous Rentals)*					
	Non-Profit					

Parks, Recreation & Community Services -
Cultural Arts (Grand Theatre) Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	First 2 Hours	First 2 Hours		$ 75	$ 77	$ 2
	Each Additional Hour	Each Add'l Hr		$ 35	$ 36	$ 1
	Commercial					
	First 2 Hours	First 2 Hours		$ 150	$ 154	$ 4
	Each Additional Hour	Each Add'l Hr		$ 75	$ 77	$ 2
10	**Music Studio II**					
	Private & Group Instruction *Instrument & Voice Lab* *Rehearsal* *Up to 6 users* *>Includes Basic Furniture Set & Studio Amenities* *>Does not include Use of Other Resident Instruments (See Miscellaneous Rentals)*					
	Non-Profit					
	First 2 Hours	First 2 Hours		$ 60	$ 62	$ 2
	Each Additional Hour	Each Add'l Hr		$ 30	$ 31	$ 1
	Commercial					
	First 2 Hours	First 2 Hours		$ 120	$ 123	$ 3
	Each Additional Hour	Each Add'l Hr		$ 60	$ 62	$ 2
11	**Music Studio III**					
	Private Instruction *Instrument & Voice Lab* *Rehearsal* *Up to 3 users* *>Includes Basic Furniture Set & Studio Amenities* *>Includes Use of Spinet Piano, Baby Grand Piano, and/or Electric Piano* *>Does not include Use of Other Resident Instruments (See Miscellaneous Rentals)*					
	Non-Profit					
	First 2 Hours	First 2 Hours		$ 40	$ 41	$ 1
	Each Additional Hour	Each Add'l Hr		$ 20	$ 21	$ 1
	Commercial					
	First 2 Hours	First 2 Hours		$ 80	$ 82	$ 2
	Each Additional Hour	Each Add'l Hr		$ 40	$ 41	$ 1
12	**Music Studio IV**					
	Private Instruction *Digital Recording Lab* *Rehearsal* *Up to 3 users* *>Includes Basic Furniture Set & Studio Amenities* *>Does not include Studio Engineer* *>Does not include Use of Other Resident Instruments (See Miscellaneous Rentals)*					
	Non-Profit					
	First 2 Hours	First 2 Hours		$ 75	$ 77	$ 2
	Each Additional Hour	Each Add'l Hr		$ 35	$ 36	$ 1
	Commercial					
	First 2 Hours	First 2 Hours		$ 150	$ 154	$ 4
	Each Additional Hour	Each Add'l Hr		$ 75	$ 77	$ 2
13	**Grand Galleries**					

Parks, Recreation & Community Services -
Cultural Arts (Grand Theatre) Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Events, Meetings, Presentations, Receptions *>Exhibitions Program Schedule Dependent* *>Requires Staff Supervision (See Labor Fees)* *>Not Available for Exhibits/Displays/Retail Use*					
	Non-Profit					
	First 2 Hours	First 2 Hours		$ 150	$ 154	$ 4
	Each Additional Hour	Each Add'l Hr		$ 75	$ 77	$ 2
	Commercial					
	First 2 Hours	First 2 Hours		$ 300	$ 308	$ 8
	Each Additional Hour	Each Add'l Hr		$ 150	$ 154	$ 4
14	**Lobby Areas**					
	>Public Spaces during Facility Hours & Programming					
	Non-Profit					
	Upstairs	Per 4 Hours		$ 275	$ 282	$ 7
	Downstairs	Per 4 Hours		$ 275	$ 282	$ 7
	Commercial					
	Upstairs	Per 4 Hours		$ 550	$ 564	$ 14
	Downstairs	Per 4 Hours		$ 440	$ 451	$ 11
15	**Café**					
	Non-Profit					
	Non-Revenue Generating Use	Per 4 Hours			$ 25	$ 25
	Revenue Generating Use (Studio Theatre & Lobby Areas)	Per 4 Hours			$ 50	$ 50
	Revenue Generating Use (EK Theatre)	Per 4 Hours			$ 100	$ 100
	Commercial					
	Non-Revenue Generating Use	Per 4 Hours			$ 50	$ 50
	Revenue Generating Use (Studio Theatre & Lobby Areas)	Per 4 Hours			$ 100	$ 100
	Revenue Generating Use (EK Theatre)	Per 4 Hours			$ 200	$ 200
	Base rate for negotiated Concessionaire Agreement	Per Month			**$542 plus 50% of non-alcoholic beverages and all food sales**	-
16	**Box Office Services**					
	Non-Profit					
	Per Performance	Per Performance		$ 110	$ 113	$ 3
	Per Ticket Charge to Patron	Per Ticket		$ 3	$ 3	$ -
	Commercial					
	Per Performance	Per Performance		$ 310	$ 330	$ 20
	Per Ticket Charge to Patron	Per Ticket		$ 3	$ 3	$ -
17	**Miscellaneous Rentals**					
	Non-Profit & Commercial					
	Installation/Removal of Floor for Orchestra Pit	Per Use		$ 550	$ 564	$ 14
	Wired Microphone					
	1 Mic & Stand	Each	[5]	$ 15	$ 16	$ 1
	10 or more	Each	[5]	$ 10	$ 11	$ 1
	Wireless Microphone (Handheld or Lapel)					
	1 Mic & Stand (4 Max)	Each	[5]	$ 27	$ 28	$ 1
	Drum Mic Package - 8 Microphones	Per Use		$ 100	$ 103	$ 3
	Direct Box	Per Use	[5]	$ 25	$ 26	$ 1

Parks, Recreation & Community Services -
Cultural Arts (Grand Theatre) Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Monitor Wedges	Each			$ 50	$ 50
	Ramtech Split Snake	Per Use		$ 100	$ 103	$ 3
	Monitor Console	Per Use		$ 100	$ 103	$ 3
	Mobile PA	Per Use		$ 100	$ 103	$ 3
	Lectern Stand with Mic	Per Use	[5]	$ 20	$ 21	$ 1
	Conductor Podium	Per Use	[5]	$ 20	$ 21	$ 1
	Follow Spot(s) with One In-house Tech, Two (2) Max.	Each per 4 Hrs.		$ 385	$ 395	$ 10
	Video Projector (EK Theatre)					
	Per 8 Hour Rental	Per 8 Hour Rental		$ 150	$ 154	$ 4
	Each Additional Hour	Each Add'l Hr	[5]	$ 15	$ 16	$ 1
	Video Projector (Studio Theatre)					
	Per 5 Hour Rental	Per 5 Hour Rental		$ 75	$ 77	$ 2
	Each Additional Hour	Each Add'l Hr	[5]	$ 10	$ 11	$ 1
	Haze Machine	Per Use		$ 50	$ 51	$ 1
	Marquee Sign Listing	Per Side/Installation		$ 55	$ 56	$ 1
	Installation & Removal of Marley Mat Dance Floor	Per Use		$ 220	$ 226	$ 6
	6' Folding Tables	Each	[5]	$ 5	$ 6	$ 1
	48" Round Folding Tables	Each	[5]	$ 11	$ 12	$ 1
	36" Round Tables	Each	[5]	$ 11	$ 12	$ 1
	Cocktail Tables	Each	[5]	$ 11	$ 12	$ 1
	Cocktail Table Stools	Each	[5]	$ 5	$ 6	$ 1
	Wood Classroom Chairs					
	1 Chair	Each	[5]	$ 5	$ 6	$ 1
	10 or more	Each	[5]	$ 3	$ 4	$ 1
	Music Stands					
	1 Stand	Each	[5]	$ 5	$ 6	$ 1
	10 or more	Each	[5]	$ 3	$ 4	$ 1
	Black Wenger Orchestra Chairs					
	1 Chair	Each	[5]	$ 11	$ 12	$ 1
	25 or more	Each	[5]	$ 5	$ 6	$ 1
	Black Pipe and Drape	Per Installation		$ 110	$ 113	$ 3
	Black Resin Chairs					
	1 Chair	Each	[5]	$ 5	$ 6	$ 1
	25 or more	Each	[5]	$ 3	$ 4	$ 1
	Piano Tuning	Per Use		$ 195	$225 plus 5%	$ 30
	Electric Piano (Roland RD-700NX)	Per Use		$ 75	$ 77	$ 2
	Easels	Each	[5]	$ 5	$ 6	$ 1
	Stage Riser (4' x 4')	Each	[5]	$ 25	$ 26	$ 1
	Extension Cord 25' Quad Box	Each			$ 15	$ 15
	Extension Cord with Strip	Each			$ 5	$ 5
	Grand Piano (Yamaha) & Tuning				$ 450	$ 450
	TV Monitor	Per Use		$ 55	$ 56	$ 1
	BlueRay	Per Use			$ 20	$ 20
18	**Labor Fees**					
	Non-Profit/Commercial					
	Technical Theatre Supervisor	Per Hour		$ 62	$ 64	$ 2
	Theatre Technicians	Per Hour		$ 44	$ 45	$ 1
	Hospitality Staff	Per Hour	[5]	$ 26	$ 27	$ 1
	Merchandise Seller	Per Hour	[5]	$ 16	$ 17	$ 1
	Usher	Per Hour	[5]	$ 16	$ 17	$ 1
	Cultural Arts Supervisor	Per Hour		$ 62	$ 64	$ 2
	Arts Education Program Coordinator	Per Hour		$ 50	$ 51	$ 1
	Arts Education Instructor	Per Hour	[5]	$ 27	$ 28	$ 1
	Arts Education Recreation Leader III	Per Hour	[5]	$ 16	$ 17	$ 1
	Security Personnel (Min $200 or per hour rate; whichever greater)	Per Hour			$ 28	$ 28

Parks, Recreation & Community Services -
Cultural Arts (Grand Theatre) Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
19	**Additional Fees**					
	Non-Profit/Commercial					
	Janitorial Fees					
	Per 8 Hours	Per 8 Hours		$ 250	$ 257	$ 7
	Per 4 Hours	Per 4 Hours		$ 125	$ 128	$ 3
	Porter					
	Per 8 Hours	Per 8 Hours		$ 240	$ 246	$ 6
	Per 4 Hours	Per 4 Hours		$ 120	$ 123	$ 3
	Agreement Processing Fee	Per Contract		$ 38	$ 39	$ 1
	Global Music Rights License Fee	Per Event			**$10 for benefit concerts or .15% of gross revenue for concerts**	-
20	**Rental Client Marketing Services**					
	Limited availability, as space allows, must use Grand Theatre Center for the Arts contracted graphic designer.					
	Non-Profit					
	Exterior Posterbox	Per Event		$ 50	$ 51	$ 1
	Email Promotion	Per Email		$ 200	$ 205	$ 5
	Atrium & Pre-Show Video	Per Event		$ 75	$ 77	$ 2
	Press Release	Per Release		$ 75	$ 77	$ 2
	Local Postcard Distribution	Per Event		$ 75	$ 77	$ 2
	Social Media Promotion		[4]			
	Facebook Post to Grand Page	Per Post		$ 75	$ 77	$ 2
	Instagram Post to Grand Page	Per Post		$ 75	$ 77	$ 2
	Static Ad Build	Per Ad		$ 125	$ 128	$ 3
	Video Ad Build	Per Ad		$ 250	$ 257	$ 7
	Commercial					
	Exterior Posterbox	Per Event		$ 100	$ 103	$ 3
	Email Promotion	Per Email		$ 400	$ 410	$ 10
	Atrium & Pre-Show Video	Per Event		$ 150	$ 154	$ 4
	Press Release	Per Release		$ 150	$ 154	$ 4
	Local Postcard Distribution	Per Event		$ 150	$ 154	$ 4
	Social Media Promotion		[4]			
	Facebook Post to Grand Page	Per Post		$ 150	$ 154	$ 4
	Instagram Post to Grand Page	Per Post		$ 150	$ 154	$ 4
	Static Ad Build	Per Ad		$ 250	$ 257	$ 7
	Video Ad Build	Per Ad		$ 500	$ 513	$ 13
21	**Arts Education Program Fees**					
	Non-Profit/Commercial					
	Ceramics & Fused Glass - Assembly, Firing, Glazes, Finishing - Classes, Camps, Presentations, Private Lessons, Workshops	Per Person		**$5 - $400**	**$5 - $400**	-
	Dance - Ballroom, Classical, Cultural, Fitness, Modern, Movement, Tai Chi, Technical - Classes, Camps, Presentations, Private Lessons, Workshops	Per Person		**$5 - $400**	**$5 - $400**	-
	Drama - Acting, Audition, Costume, Writing, Technical, Performance, Props - Classes, Camps, Presentations, Private Lessons, Workshops	Per Person		**$5 - $400**	**$5 - $400**	-
	Literary Arts	Per Person		**$5 - $400**	**$5 - $400**	-

Parks, Recreation & Community Services -
Cultural Arts (Grand Theatre) Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	- Writing, Journaling, Letterform, Literature, Poetry, Spoken Word - Classes, Camps, Presentations, Private Lessons, Workshops					
	Music	Per Person		**$5 - $400**	**$5 - $400**	**-**
	- Electronic, Horns, Keyboard, Methodologies, Percussion, Strings, Woodwind, Voice - Classes, Camps, Presentations, Private Lessons, Workshops					
	Visual Arts	Per Person		**$5 - $400**	**$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**	**$6 / $15**	**-**
	- 3 Days in Designated Months - 2 Activities per Day & Hospitality					
	Program Transaction Fees (Applied to withdrawal, refund, credit, or transfer)	Per Transaction		**$ 5**	**$ 5**	**$ -**
	Program Lab Fees (Applied to applicable studio-based classes for studio furniture, tools, equipment and instrument usage)	Per Person		**–**	**$5 - $60**	**-**
22	**Exhibitions Program Fees**					
	Juried Exhibition Entry Fee	Per Entry		**–**	**$5 - $25**	**-**
23	**Services Requested of City staff which have no Fee Listed in this Fee Schedule.** Additionally, the City will Pass-through to the Applicant any Discrete Costs Incurred from the Use of External Service Providers if Required to Process the Specific Application.					
	Full-Time					
	During Business Hours	Per Hour		**$ 159**	**$ 163**	**$ 4**
	After Business Hours	Per Hour		**$ 175**	**$ 180**	**$ 5**
	Part-Time					
	During Business Hours	Per Hour		**$ 48**	**$ 50**	**$ 1**
	After Business Hours	Per Hour		**$ 53**	**$ 55**	**$ 1**
	Blended					
	During Business Hours	Per Hour		**$ 124**	**$ 127**	**$ 3**
	After Business Hours	Per Hour		**$ 136**	**$ 139**	**$ 4**

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).

[5] If the CPI increase is $1 or less, a $1 increase will be applied to that fee.

Citywide Master Fee Schedule

May 21, 2024

TRACY

Think Inside the Triangle™

What is the Citywide Master Fee Schedule?

- A Consolidation of Various Department City-Wide Fees
- Consolidated:
  - For Ease in Community Accessibility
  - To Assure Regular Review and Updates of Fees

What the Fee Schedule Includes

- Administrative Services Fees
- City Clerk Fees
- Cultural Arts (Grand Theatre) Fees
- Community Facilities Fees
- Recreation Fees
- Community & Economic Development Fees
- Public Safety Fees
- Public Works Fees

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What the Fee Schedule Does Not Include

- Development Impact Fees (AB1600)
- Mitigation Fees
- Rates Established by Separate Agreements
- Business License Tax
- Enterprise Fund Charges
- Leases of City Property
- Special District Assessments
- Fees Adopted Under Franchise Agreements
- Fines Imposed as Penalties

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Adjustments, Corrections or Clarifications

- Names/Titles; Appendix; Formatting
- Fee Corrections
- Fees Adjusted to Reflect Inflationary Cost Increases

Inflationary Adjustments

- Some Fees Adjusted to Reflect an Automatic Inflationary Cost Increase
- Inflationary adjustment based upon Consumer Price Index (CPI) for the San Francisco-Oakland-Hayward Metropolitan Area
- Adjustment for FY2024-2025 = 2.6%

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New Fees

- Community Facilities – Lolly Hansen Outdoor Area, Airport Parking Lot and Hangar Rentals, Swim Pavilion, Co-Sponsorship Events
- Recreation Division – Special Interest Classes, Youth Sports, Aquatics Classes
- Grand Theatre – Café Rental, Exhibitions Program, Misc. Rentals
- Planning Division – Non-Profit Temporary Use Permit (50% discounted rate)
- Building Division – Fire Flow Test Permit, Reinstatement Fee for Expired Permits
- Public Works – Special Event (50% Non-Profit discounted rate)

Cost Recovery

Approximately 72% of the total costs associated with providing fee related services are currently recovered.

The proposed Master Fee Schedule includes a 2.6% CPI increase, with the exception of:

- Reduction of 50% for non-profit fees:
  - Temporary Use Permit Fee
  - Special Events Fee

If approved, the proposed Master Fee Schedule will recover 71% of the total costs associated with providing fee related services.



ACTION REQUESTED

That the City Council adopt a resolution,

(A) approving and adopting, effective as July 1, 2024, the proposed Citywide Master Fee Schedule and

(B) rescinding, effective July 1, 2024, the existing Master Fee Schedule that was adopted by Resolution 2023-048.

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APPROVED AS TO FORM AND LEGALITY

_____
CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. ____

(A) APPROVING AND ADOPTING, EFFECTIVE AS OF JULY 1, 2024, THE PROPOSED CITYWIDE MASTER FEE SCHEDULE AND
(B) RESCINDING, EFFECTIVE AS OF JULY 1, 2024, THE EXISTING CITYWIDE MASTER FEE SCHEDULE ADOPTED BY RESOLUTION 2023-048

WHEREAS, On March 7, 2023, the City Council adopted the most recent consolidated Citywide Master Fee Schedule (Resolution 2023-048); and

WHEREAS, The 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
- 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, 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 a 2.6% inflationary increase; and

WHEREAS, The following list summarizes the new fees added to the schedule:

Parks Recreation and Community Services – Community Facilities

- Sports Facilities –
  - Unauthorized Permit Use fee - New Fee that has been piloted with our sports user groups if they violate their permit (violates policies in Sports Fields Reservation Handbook)
  - Field damage deposit added.
  - Concession Stand – Monthly rental rate added.
- Joe Wilson Pool –
  - Recreational Swim Pavilion Rental fee added.
- Airport Rentals–
  - Airport Parking Lot Rental Area fee added.
  - Airport Hangar Rental Rates added (fees were previously brought to Council separate from the Master Fee Schedule).
- Co-Sponsorship Events added (no fee)

Parks Recreation and Community Services – Recreation Division

- Administration - Lost, Broken or Stolen Equipment Replacement fee added
- Special Interest Classes – Roughly 77 new classes added.
- Seniors – Indoor Pickleball added
- Youth Sports – Tracy Tots Baby Gym added
- Aquatics – Advanced Swim, Water Polo Fundamental Clinics and Lifeguard training classes added.

Parks Recreation and Community Services – Grand Theatre

- New Café Rental available with rental of EK Theatre, Studio Theatre & Lobby Areas.
  - New fees based on average revenues from past Café concessions use. Non-profit fees are 50% less than Commercial.
  - Concessionaire Agreement (per month) added.
- Additional Misc. rental items added – Wireless Microphone & Stand, Monitor Wedges, Extension Cords, Grand Piano, BluRay player.
- Labor Fees – Security Personnel fee added.
- Additional Fees – Global Music Rights License fee added. New fee assessed by Global Music Rights, LLC to all concerts.
- Arts & Education –
  - Program Transaction Fees added – previously missing from schedule. Added to match Recreation Services Admin fee.
  - Program Lab fees added – Cost recovery for the maintenance and replacement of specialized amenities as well as supplies.
- Juried Exhibition Entry Fee added – comparative to industry standards in the Grand Galleries. These fees are paid by artists seeking to be in competitive exhibitions, considered prestigious.

Community and Economic Development – Planning Division

- A separate Temporary Use Permit fee was added to provide a fee at half the cost for Non-Profits.

Community and Economic Development – Building Division

- Fire Flow Test Permit – Fee charged by the consultant.

- Reinstatement Fee for Expired Permits – No current fee to recap any revenues for expired permits.

Public Works

- Special Event (non-profit) - This now matches other non-profit fees which are 50% less.

Public Works - Engineering

- A note added to fees that are subject to 4th and Subsequent Plan Check fee; and

WHEREAS, The following list summarizes the administrative corrections and clarifications to the schedule:

Parks Recreation and Community Services – Community Facilities

- CPI increase per fee - If the CPI increase is $1 or less, a $1 increase will be applied to that fee (excluding sports field fees)
- Tracy Sports Complex Alcohol deposit fee updated to reflect the same fee as all other City facility alcohol deposits.
- Tracy Civic Center Rental fees updated to match square footage and additional amenities.
- Park and Picnic areas – 2 hr minimum rental added. Per Facility Reservation Handbook, reservations require a 2hr minimum rental.
- Tennis Court fees – Categories updated to read: Practice/Games, League and Tournament rates.
- Lolly Hansen classroom combo fees adjusted to reflect Classroom 1 + 2 rates added together.
- Lolly Hansen Deposits adjusted to match all other facility deposits.
- Sports Facilities –
    - No show occurrence fee verbiage updated.
    - Fees separated by Private/Commercial.
    - Premium Field fees increased from Standard Field rate based off of research from surrounding cities and following the same method between private and commercial field rates.
    - Lights fee updated to realign with the current lighting costs.

Parks Recreation and Community Services – Recreation Division

- Update to fees set by Instructors.
- Ping Pong Card updated to 24 Visit Pass
- Non-Resident removed – fees not needed as it is standard 10% increase.
- Aquatics –
    - Parent Tot Swim Lessons adjusted to per person/per 2-week session.
    - Learn to Swim updated to Swim Skills (Levels 1-4)
    - Senior Water Exercise 10 Visit Pass added minimum & maximum per pass.
    - Private Swim Lesson adjusted to Saturdays only.

Parks Recreation and Community Services – Grand Theatre

- Removal of services/equipment no longer offered.

Community and Economic Development – Planning Division

- Fee Type language corrections.

- Additional notes and verbiage added for clarification on regarding cost.

PW – Engineering

- Removal of fees no longer accepted.
- Additional notes and verbiage added for clarification; and

WHEREAS, The proposed amount would result in a cost recovery rate of 71%, which is a 1% reduction in cost recover over the current 72% 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 May 21, 2024, 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 rate of 71%; and be it further

RESOLVED: That the new Schedule shall be effective as of July 1, 2024 with the exception of Community and Economic Development fees which shall take effect on July 22, 2024; and be it further

RESOLVED: That the City Council hereby rescinds, effective as of July 1, 2024, the existing Master Fee Schedule, which was adopted by Resolution 2023-048.

* * * * * * * *

The foregoing Resolution 2024-__ was adopted by the Tracy City Council on May 21, 2024, 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:_____
ADDRIANNE RICHARDSON
City Clerk and Clerk of the Council of the
City of Tracy, California

Exhibit 1: Master Fee Schedule

CITY OF TRACY
CITYWIDE
MASTER FEE SCHEDULE

Proposed: March 21, 2024
Adopted:
Resolution No.:
Fee Implementation Date:

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 2024-2025 the inflationary rate is 2.6%. 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.

CITY OF TRACY
Think Inside the Triangle™

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Finance Department

Fee No.	Fee Name	Fee Type	Notes	FY 23/24 Fee	FY24/25 Proposed Fee	Difference
1	Business Licenses					
	Transfer, Assignment or Duplication Fee	Duplication	[1]	**$14 Per Account/ Per Year**	**$17 Per Account/ Per Year**	**$ 3**
	State Disability Access Fee	Application or Renewal	[2] [3]	**$ 4**	**$ 4**	**$ -**
2	Transient Occupancy Tax (TOT)	Annual	[1]	**$650 Per Property/ Per Year**	**$667 Per Property/ Per Year**	**$ 17**
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

[3] Not Subject to Inflationary Adjustment

City Manager's Office - City Clerk Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
1	Annual Subscriptions (City Council, Planning Commission)		[4]			
	Agendas (Per Month)	Per Month		**Free Availability Online**	**Free Availability Online**	-
	Disc/Agenda	Per Disc/Agenda				
	Minutes	Per Page				
2	Appeals					
	to City Council	Per Appeal	[1]	**$ 204**	**$ 209**	**$ 5**
	to City Manager	Per Appeal	[2]	**$ 204**	**$ 209**	**$ 5**
	by Impartial Hearing Officer	Per Appeal	[3]	**$ 204**	**$ 209**	**$ 5**
				May be Shared Equally by all Parties	**May be Shared Equally by all Parties**	-
3	Document Certification (Per Document)	Document		**$ 31**	**$ 32**	**$ 1**
4	Photocopies					
	Paper Copy*	Per Page	[4] [8]	**$ 0.10**	**$ 0.10**	$ -
	Oversized Copy	Per Page		**At Cost**	**At Cost**	-
	Maps*	Per Page		**At Cost**	**At Cost**	-
5	Duplicating Recording of Public Meeting					
	Video or Audio	Each		**At Cost**	**At Cost**	-
	DVD of Council Meeting	Each		**At Cost**	**At Cost**	-
6	Lobbyist					
	Registration	Each	[5]	**$ 123**	**$ 126**	**$ 3**
	Annual Renewal	Each	[6]	**$ 61**	**$ 63**	**$ 2**
7	Notary Fee		[7] [8]	**$ 15**	**$ 15**	$ -
8	Project Requiring Municipal Code Update	Each		**$ 4,090**	**$ 4,197**	**$ 107**
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**	**$ 126**	**$ 3**

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
[8] Not Subject to Inflationary Adjustment

City Manager's Office - Community Engagement & Public Information
CCTV Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
1	Project Application Review Fee	Per Project	[1]	$ 164	$ 168	$ 4
2	Video Production Fee					
	Single HD Camera with Operator (up to 8 Hours)	Per Day		$ 602	$ 618	$ 16
	Single HD Camera with Operator (Half Day - 4 Hours with 4 Hour Minimum)	Per Half Day (4 Hour Min.)		$ 342	$ 351	$ 9
3	City Council Chamber Recording with 2 Crew (Includes 4 SD Cameras)					
	Full Day (up to 8 Hours)	Per Day		$ 1,122	$ 1,151	$ 29
	Half Day (up to 4 Hours; 4 Hours Minimum)	Per Day (4 Hour Min.)		$ 602	$ 618	$ 16
4	Post Production Services					
	Editing Suite with Editor	Per Hour		$ 65	$ 67	$ 2
5	General Crew Services including, but not limited to: Producer, Teleprompter Operator, Audio Tech, Extra, Studio Crew, Grip, etc…					
	PT City Staff - During [City] Business Hours	Per Person / Per Hour (1 Hour Min.)		$ 65	$ 67	$ 2
	PT City Staff - After [City] Business Hours	Per Person / Per Hour (1 Hour Min.)		$ 77	$ 79	$ 2
6	Miscellaneous Services					
	Additional HD Cameras - Fixed	Per Use		$ 130	$ 133	$ 3
	Additional HD Cameras - Manned	Per Person / Per Hour (1 Hour Min.)		$ 65	$ 67	$ 2
	Graphics	Each	[2]	Actual Cost	Actual Cost	-
	Audio Files	Each	[2]	Actual Cost	Actual Cost	-
7	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 (1 Hour Min.)		$ 164	$ 168	$ 4
	Part Time	Per Hour (1 Hour Min.)		$ 65	$ 67	$ 2

Notes

[1] Project Scoping Services are Provided Free of Charge; Application Applies once Project is Formally Initiated

[2] City will Pass-through Vendor Expense to Applicant Directly

Community & Economic Development - Planning Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
I	**PLANNING Application Review AND APPROVALS**					
1	Adult Business Use Permit	Per Application		$ 3,776	$ 3,874	$ 98
2	Annexation	Per Application	[7]	$ 41,932	$ 43,022	$ 1,090
3	**Appeals**					
	Appeal to City Council	Per Appeal		$ 5,368	$ 5,507	$ 139
	Appeal to Planning Commission	Per Appeal		$ 4,739	$ 4,862	$ 123
4	**Cannabis (Fees effective 7/20/20 per Reso # 20-124)**					
	Business Permit Application Fee	Per Application		$ 10,800	$ 11,081	$ 281
	Background Investigation Fee	Per Owner		$ 300	$ 308	$ 8
	Business Permit Fee	Per Year		$ 3,900	$ 4,001	$ 101
	Business Permit Renewal Application Fee	Per Application		$ 13,100	$ 13,441	$ 341
	Renewal Background Investigation Fee	Per Owner		$ 100	$ 103	$ 3
	Employee Permit Fee (Initial)	Per Employee		$ 300	$ 308	$ 8
	Employee Permit Renewal Fee	Per Employee		$ 100	$ 103	$ 3
5	Conditional Use Permit	Per Application		$ 5,817	$ 5,969	$ 152
6	Conditional Use Permit (Non-Profit Organizations)	Per Application		$ 5,817	$ 5,969	$ 152
7	**Development Review**					
	Class A	Per Application	[1]	$ 10,409	$ 10,680	$ 271
	Class B	Per Application	[2]	$ 8,629	$ 8,854	$ 225
8	Ellis Specific Plan Pattern Book Certification	Per Application	[5]	$ 4,670	$ 4,791	$ 121
9	**ENVIRONMENTAL**					
	Environmental Assessment	Per Project	[3]	$ 619	$ 636	$ 17
	Environmental Initial Study	Per Project		**Per Cost Recovery agrmt.**	**Per Cost Recovery agrmt.**	-
	Negative Declaration	Per Project		**Per Cost Recovery agrmt.**	**Per Cost Recovery agrmt.**	-
	Environment Impact Report	Per Project	[7]	$ 31,942	$ 32,772	$ 830
	Environmental Consistency Analysis	Per Project	[7]	$ 4,051	$ 4,156	$ 105
10	General Plan Amendment	Per Application	[7]	$ 5,450	$ 5,592	$ 142
11	Lot Line Adjustment	Per Application		$ 4,015	$ 4,120	$ 104
12	**MICRO-IMAGING FEES**		[4]			
	11" X 17" and Smaller (B&W or Grayscale with 2" Field Index)	Each		$ 0.08	$ 0.08	$ -
	Larger than 11" X 17" (B&W or Grayscale with a Two-Field Index)	Each		$ 0.88	$ 0.88	$ -
	11" X 17" and Smaller (Color with Two-Field Index)	Each		$ 0.15	$ 0.15	$ -
	18" X 24" Color Document with a Two-Field Index	Each		$ 0.53	$ 0.53	$ -
	24" X 36" Color Document with a Two-Field Index	Each		$ 2.00	$ 2.00	$ -
13	Noise Ordinance Variation	Per Application		$ 7,675	$ 7,875	$ 200
14	Planned Unit Development	Per Application		$ 8,718	$ 8,945	$ 227

Community & Economic Development - Planning Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
15	Planned Unit Development Amendment	Per Application		$ 6,237	$ 6,399	$ 162
16	Planning Commission Determination	Per Determination		$ 5,280	$ 5,417	$ 137
	PLANNING DIVISION Application FEES					
17	Residential Growth Allotment	Per Application	[3]	$ 3,919	$ 4,021	$ 102
18	**Sign Permit**		[3]			
	Master Sign Program	Per Program		$ 1,495	$ 1,533	$ 38
	Sign Permit					
	Single Sign	Per Permit		$ 472	$ 484	$ 12
	Multiple Signs	Per Permit		$ 629	$ 646	$ 17
19	**Specific Plan**					
	Specific Plan Amendment-Text only	Per Project		$ 4,780	$ 4,904	$ 124
	New Specifc Plan or Major Amendment-(Zoning and/or map amendment)	Per Cost Recovery Agreement		$ 19,134	$ 19,632	$ 497
20	Temporary Use Permit	Per Application	[3]	$ 1,255	$ 1,288	$ 33
	Temporary Use Permit (Non-Profit)	Per Application	[3]	$ 628	$ 644	$ 16
21	**TENTATIVE Map / TENTATIVE Map Amendment**					
	Parcel Map	Per Application		$ 8,640	$ 8,865	$ 225
	5 - 100 Lots	Per Application		$ 15,605	$ 16,011	$ 406
	Over 100 Lots	Per Application		$ 28,666	$ 29,412	$ 745
22	Time Extension	Per Application	[3]	$ 2,969	$ 3,047	$ 77
23	Variance	Per Application		$ 2,596	$ 2,663	$ 67
24	Reasonable Accommodation (Accessibility)	Per Application		$ 2,091	$ 2,145	$ 54
25	**ZONING**					
	Zone Change	Per Application		$ 3,618	$ 3,712	$ 94
	Zone Text Amendment	Per Application		$ 4,090	$ 4,197	$ 107
	Zoning Research Letter	Per Letter	[3]	$ 393	$ 404	$ 11
26	Copies - City Documents and Maps			**See City Clerk**	**See City Clerk**	-
27	4th and Subsequent Review	Per Submittal	[6]	**Set by City Policy**	**Set by City Policy**	-
28	General Plan Maintenance and Update			**.05% of Building Valuation**	**.05% of Building Valuation**	-
II	**BUILDING PLAN CHECK BY PLANNING**					
29	**Single Family**					
	Miscellaneous Minor Improvements	Per Permit		$ 79	$ 81	$ 2
	Plot Plan / Production Plan Review	Per Plot Plan		$ 79	$ 81	$ 2
	New Model Home	Per New Model Home		$ 315	$ 323	$ 8

Community & Economic Development - Planning Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
30	**Multi-family/ Commercial/ Industrial**					
	New Building / Shell Project	Per Application		**$ 629**	**$ 646**	**$ 17**
	Tenant Improvement	Per Application		**$ 315**	**$ 323**	**$ 8**
31	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**	**$ 161**	**$ 4**

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.

[7] Fee amount plus CRA for consultant cost

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 Director of Community and Economic Development 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.

Community & Economic Development - Building Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
I	**BUILDING PERMIT FEES**					
1	**Building Permit/Inspection - Residential**					
	$ 500	Base Fee @ $500		$ 106	$ 108	$ 2
	Each Additional $100 or Fraction thereof	Each Add 'l $100		$ 16.43	$ 16.86	$ 0.43
	$ 2,000	Base Fee @ $2,000		$ 352	$ 361	$ 9
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 35.20	$ 36.12	$ 0.92
	$ 10,000	Base Fee @ 10,000		$ 634	$ 650	$ 16
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 21.12	$ 22	$ 1
	$ 25,000	Base Fee @ 25,000		$ 950	$ 975	$ 25
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 31.58	$ 32.40	$ 0.82
	$ 50,000	Base Fee @ $50,000		$ 1,740	$ 1,785	$ 45
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 11.62	$ 11.92	$ 0.30
	$ 150,000	Base Fee @ $150,000		$ 2,902	$ 2,977	$ 75
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 3.89	$ 3.99	$ 0.10
	$ 350,000	Base Fee @ $350,000		$ 3,680	$ 3,776	$ 96
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 3.70	$ 3.79	$ 0.10
	$ 550,000	Base Fee @ 550,000		$ 4,420	$ 4,534	$ 114
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 8.04	$ 8.24	$ 0.21
2	**Building Plan Check - Residential**					
	$ 500	Base Fee @ $500		$ 70	$ 72	$ 2
	Each Additional $1000 or Fraction thereof	Each Add 'l $100		$ 4.69	$ 4.82	$ 0.12
	$ 2,000	Base Fee @ $2,000		$ 141	$ 144	$ 3
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 17.60	$ 18.06	$ 0.46
	$ 10,000	Base Fee @ $10,000		$ 282	$ 289	$ 7
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 9.39	$ 9.63	$ 0.24
	$ 25,000	Base Fee @ 25,000		$ 422	$ 433	$ 11
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 11.27	$ 11.56	$ 0.29
	$ 50,000	Base Fee @ $50,000		$ 704	$ 722	$ 18
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 4.22	$ 4.33	$ 0.11
	$ 150,000	Base Fee @ $150,000		$ 1,127	$ 1,156	$ 29
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 5.63	$ 5.78	$ 0.15

Community & Economic Development - Building Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	$ 350,000	Base Fee @ $350,000		$ 2,253	$ 2,312	$ 59
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 4.22	$ 4.33	$ 0.11
	$ 550,000	Base Fee @ 550,000		$ 3,098	$ 3,178	$ 80
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 5.63	$ 5.78	$ 0.15
3	**Building Plan Check for Identical Building / Repeat Tract House / Plot Plans**	Flat		$ 704	$ 722	$ 18
4	**Building Permit/Inspection - Commercial/Multi-family/Industrial**					
	$ 10,000	Base Fee up $10,000		$ 1,636	$ 1,678	$ 42
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 93.88	$ 96.32	$ 2.44
	$ 25,000	Base Fee @ 25,000		$ 3,044	$ 3,123	$ 79
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 75.29	$ 77.25	$ 1.96
	$ 50,000	Base Fee @ $50,000		$ 4,926	$ 5,054	$ 128
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 140.41	$ 144.06	$ 3.65
	$ 100,000	Base Fee @ $100,000		$ 11,947	$ 12,257	$ 310
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 7.52	$ 7.72	$ 0.20
	$ 500,000	Base Fee @ 500,000		$ 14,956	$ 15,344	$ 388
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 14.15	$ 14.52	$ 0.37
	$ 1,000,000	Base Fee @ 1,000,000		$ 22,031	$ 22,604	$ 573
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 1.77	$ 1.81	$ 0.05
	$ 5,000,000	Base Fee @ 5,000,000		$ 29,107	$ 29,864	$ 757
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 2.82	$ 2.90	$ 0.07
	$ 10,000,000	Base Fee @ 10,000,000		$ 43,224	$ 44,348	$ 1,124
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 3.03	$ 3.10	$ 0.08
5	**Building Plan Check - Commercial/Multi-family/Industrial**					
	$ 10,000	Base Fee up $10,000		$ 282	$ 289	$ 7
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 18.78	$ 19.26	$ 0.49
	$ 25,000	Base Fee @ 25,000		$ 563	$ 578	$ 15
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 11.27	$ 11.56	$ 0.29
	$ 50,000	Base Fee @ $50,000		$ 845	$ 867	$ 22
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 16.90	$ 17.34	$ 0.44
	$ 100,000	Base Fee @ $100,000		$ 1,690	$ 1,734	$ 44

Community & Economic Development - Building Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 4.22	$ 4.33	$ 0.11
	$ 500,000	Base Fee @ 500,000		$ 3,380	$ 3,467	$ 87
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 3.38	$ 3.47	$ 0.09
	$ 1,000,000	Base Fee @ 1,000,000		$ 5,069	$ 5,201	$ 132
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 0.63	$ 0.65	$ 0.02
	$ 5,000,000	Base Fee @ 5,000,000		$ 7,604	$ 7,802	$ 198
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 0.68	$ 0.69	$ 0.02
	$ 10,000,000	Base Fee @ 10,000,000		$ 10,984	$ 11,269	$ 285
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 0.77	$ 0.79	$ 0.02
6	**Building Permit/Inspection - TI**					
	$ 10,000	Base Fee up $10,000		$ 1,839	$ 1,887	$ 48
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 75.10	$ 77.05	$ 1.95
	$ 25,000	Base Fee @ 25,000		$ 2,965	$ 3,042	$ 77
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 57.73	$ 59.23	$ 1.50
	$ 50,000	Base Fee @ $50,000		$ 4,409	$ 4,523	$ 114
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 57.03	$ 58.51	$ 1.48
	$ 100,000	Base Fee @ $100,000		$ 7,260	$ 7,449	$ 189
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 17.69	$ 18.15	$ 0.46
	$ 500,000	Base Fee @ 500,000		$ 14,336	$ 14,709	$ 373
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 5.70	$ 5.85	$ 0.15
	$ 1,000,000	Base Fee @ 1,000,000		$ 17,188	$ 17,634	$ 446
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 1.06	$ 1.09	$ 0.03
	$ 5,000,000	Base Fee @ 5,000,000		$ 21,447	$ 22,005	$ 558
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 4.29	$ 4.40	$ 0.11
7	**Building Plan Check - TI**					
	$ 10,000	Base Fee up $10,000		$ 282	$ 289	$ 7
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 18.78	$ 19.26	$ 0.49
	$ 25,000	Base Fee @ 25,000		$ 563	$ 578	$ 15
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 11.27	$ 11.56	$ 0.29
	$ 50,000	Base Fee @ $50,000		$ 845	$ 867	$ 22

Community & Economic Development - Building Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 16.90	$ 17.34	$ 0.44
	$ 100,000	Base Fee @ $100,000		$ 1,690	$ 1,734	$ 44
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 4.22	$ 4.33	$ 0.11
	$ 500,000	Base Fee @ 500,000		$ 3,380	$ 3,467	$ 87
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 3.38	$ 3.47	$ 0.09
	$ 1,000,000	Base Fee @ 1,000,000		$ 5,069	$ 5,201	$ 132
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 0.63	$ 0.65	$ 0.02
	$ 5,000,000	Base Fee @ 5,000,000		$ 7,604	$ 7,802	$ 198
	Each Additional $1000 or Fraction thereof	Each Add 'l $1,000		$ 1.52	$ 1.56	$ 0.04
II	**MISCELLANEOUS MINOR PERMITS**					
8	**Demolition**					
	Residential	Each		$ 176	$ 181	$ 5
	Commercial	Each		$ 282	$ 289	$ 7
9	**Fire Sprinkler - Residential**					
	Plan Check	Each		$ 282	$ 289	$ 7
	Permit/Inspection	Each		$ 246	$ 253	$ 7
10	**Patio Covers**					
	Residential	Each		$ 422	$ 433	$ 11
11	**Residential Pools**					
	Fiberglass/Above Ground	Each		$ 387	$ 397	$ 10
	Gunite (Incl. Master. Plan str. Review Average Fee)	Each		$ 1,127	$ 1,156	$ 29
	Remodel/Repair	Each		$ 317	$ 325	$ 8
12	**Post Fire Pre-permit Inspection**					
	Residential	Each		$ 317	$ 325	$ 8
	Commercial	Each		$ 458	$ 470	$ 12
13	**Residential Remodel (Includes MEP Fees)**					
	Kitchen/Bath < $10,000	Each		$ 774	$ 795	$ 21
	Kitchen/Bath $10,000 - $20,000	Each		$ 986	$ 1,011	$ 25
	Kitchen/Bath $21,000 - $30,000	Each		$ 1,056	$ 1,084	$ 28
14	**Non-Structural Re-Roof**					
	Residential	Each		$ 246	$ 253	$ 7
	Commercial	Each		**See Building valuation (Fee #6 & #7)**	**See Building valuation (Fee #6 & #7)**	-
15	**Illuminated & Non-illuminated Wall Signs ONLY**	Each		$ 317	$ 325	$ 8
16	**Residential Stucco Siding**	Each		$ 176	$ 181	$ 5
17	**Res. Non-Habitable Accessory / Storage Structures**	Each		$ 458	$ 470	$ 12
18	**Temporary Office Trailers**	Each		$ 422	$ 433	$ 11

Community & Economic Development - Building Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
19	**Residential Windows/Doors - Retrofit/Like-for-Like ONLY (Size, Operation and Location)**					
	5 or Less	Each		$ 141	$ 144	$ 3
	6-10	Each		$ 176	$ 181	$ 5
	11-15	Each		$ 211	$ 217	$ 6
	16+	Each		See Building valuation (Fee #1 & #2)	See Building valuation (Fee #1 & #2)	-
20	**Fire Flow Test Permit**	Flat		$ -	$ 440	$ 440
III	**ELECTRICAL PERMIT FEES**					
21	**Base Permit**	Per Project		$ 35	$ 36	$ 1
	PER UNIT FEE SCHEDULE:					
22	**Receptacles, Switches, Lighting Outlets, and Circuits**					
	Residential					
	First 5 or Portion thereof	Flat		$ 106	$ 108	$ 2
	Each Additional 5 or Portion thereof	Flat		$ 70	$ 72	$ 2
	Added Circuits	Each		$ 35	$ 36	$ 1
	Commercial					
	First 5 or Portion thereof	Flat		$ 211	$ 217	$ 6
	Each Additional 5 or Portion thereof	Flat		$ 141	$ 144	$ 3
	Added Circuits	Each		$ 141	$ 144	$ 3
23	**Installation, Alteration, or Relocation of each Electrical Service:**					
	Residential					
	Up to 200 Amps	Each		$ 141	$ 144	$ 3
	Over 200 Amps	Each		$ 176	$ 181	$ 5
	Commercial					
	Up to 200 Amps	Each		$ 211	$ 217	$ 6
	Over 200 Amps and up to 800 AMPS	Each		$ 246	$ 253	$ 7
	Over 800 Amps	Each		$ 317	$ 325	$ 8
24	**Commercial/Residential Portable Electrical Generator - Temporary Use ONLY**					
	1 Generator	Flat		$ 176	$ 181	$ 5
	2-5 Generators	Flat		$ 246	$ 253	$ 7
	6+ Generators	Flat		$ 317	$ 325	$ 8
25	**Temporary Power Source**					
	1 Temporary Power Pole	Flat		$ 141	$ 144	$ 3
	2-5 Temporary Power Poles	Flat		$ 211	$ 217	$ 6
	6+ Temporary Power Poles	Flat		$ 352	$ 361	$ 9
26	**Solar (PV) Systems (State-mandated Fees)**		[1]			
	Solar - Residential (up to 15 kW)	Flat	[2]	$ 450	$ 450	$ -
	Per kW above 15kW	Per kW	[2]	$ 15	$ 15	$ -
	Solar - Commercial (up to 50 kW)	Flat	[2]	$ 1,000	$ 1,000	$ -
	Per kW between 51kW - 250kW	Per kW	[2]	$ 7	$ 7	$ -
	Per kW above 250kW	Per kW	[2]	$ 5	$ 5	$ -
IV	**MECHANICAL PERMIT AND PLAN CHECK FEES**					
27	**For the Issuance of each Permit**	Each		$ 35	$ 36	$ 1
28	**HVAC, Evaporative Coil Systems; New, or Changeout or Relocation (not Including Duct; See Fee #32 for New Residential Ducts)**					
	Residential	Each		$ 123	$ 126	$ 3
	Commercial	Each		$ 387	$ 397	$ 10

Community & Economic Development - Building Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
29	**Repair to Existing Mechanical System - Residential Only**	Each		$ 176	$ 181	$ 5
30	**For the Installation or Relocation of Each Wall Heater, Floor Furnace, Suspended, or Floor Mounted Unit Heater**					
	Residential	Each		$ 176	$ 181	$ 5
	Commercial	Each		$ 246	$ 253	$ 7
31	**For Each New (or Changeout) Residential Duct System**	Each		$ 211	$ 217	$ 6
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		$ 704	$ 722	$ 18
33	**For the Installation of Each Domestic Type Vent Fan or Range Hood, Including Attached Duct (Residential Only)**	Each		$ 53	$ 54	$ 1
34	**For the Installation or Relocation of each Boiler or Compressor to and Including 3 HP or Each Absorption System to and Including 100,000 B.T.U.**					
	Residential	Each		$ 282	$ 289	$ 7
	Commercial	Each		$ 352	$ 361	$ 9
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		$ 352	$ 361	$ 9
	Commercial	Each		$ 458	$ 470	$ 12
36	**New Swimming Pool Heating Systems - Heater/Boiler (See Fee #53 and Fee #54 for Plumbing Elements)**					
	Residential	Each		$ 282	$ 289	$ 7
	Commercial	Each		$ 387	$ 397	$ 10
37	**Replacement Swimming Pool Heating System - Heater/Boiler (See Fee #53 and Fee #54 for Plumbing Elements). Residential Only**	Each		$ 211	$ 217	$ 6
38	**For the Installation of each Fire/Smoke/Ceiling Radiation Damper**	Each		**See Building valuation (Fee #6 & #7)**	**See Building valuation (Fee #6 & #7)**	-
39	**For the Installation or Alteration of one Residential Metal Chimney Serving a Fireplace or Similar Appliances**	Each		$ 282	$ 289	$ 7
V	**PLUMBING PERMIT AND PLAN CHECK FEES**					
40	**For the Issuance of each Permit**	Each		$ 35	$ 36	$ 1
41	**For 10 or Less Plumbing Fixtures or Traps, Including Water, Waste, and Vent Piping**					
	Residential	Flat		$ 70	$ 72	$ 2
	Commercial	Flat		$ 422	$ 433	$ 11
42	**Each Additional Plumbing Fixture; Residential Only**	Each		$ 35	$ 36	$ 1
43	**10 Gas Outlets or Less, Includes Repairs, New Work and Line Replacements**					
	Residential	Flat		$ 106	$ 108	$ 2
	Commercial	Flat		$ 352	$ 361	$ 9
44	**Repairs, Replacements or Relocation of each Building Sewer or Building Drain and Backwater Valve.**					
	Residential	Each		$ 106	$ 108	$ 2

Community & Economic Development - Building Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Commercial	Each		$ 176	$ 181	$ 5
45	**For each Interceptor (Sand/Grease) and each Industrial Waste Pre-treatment Interceptor**	Each		$ 246	$ 253	$ 7
46	**Commercial Roof Rain Water System**	Each		$ 211	$ 217	$ 6
47	**For each Water Supply System Installation, Alteration, Replacement of Water Piping and Residential Water Treatment Equipment**					
	Residential	Each		$ 141	$ 144	$ 3
	Commercial	Each		$ 317	$ 325	$ 8
48	**Drain and Vent Piping. Includes New Systems, Repairs, Replacement Lines, Pool Drains and Separation Tanks**					
	Residential	Each		$ 106	$ 108	$ 2
	Commercial	Each		$ 211	$ 217	$ 6
49	**Repair/Replacement of Backflow Prevention Devices e.g. Vacuum Breakers**					
	Residential	Each		$ 106	$ 108	$ 2
	Commercial	Each		$ 211	$ 217	$ 6
50	**Storage Tank (or Tankless) Water Heater Repair or Replacement, Like-for-Like**					
	Residential	Each		$ 53	$ 54	$ 1
	Commercial	Each		$ 211	$ 217	$ 6
51	**New Water Heater Installation (Tankless or Storage)**					
	Residential	Each		$ 282	$ 289	$ 7
	Commercial	Each		$ 431	$ 442	$ 11
52	**New or Replacement of Rooftop Solar Thermal Water Heating Systems (NOT PV) (State Mandated Fees)**		[1]			
	Residential (up to 10 kWth)	Flat	[2]	$ 450	$ 450	$ -
	Per kWth above 10 kWth	Per kWth	[2]	$ 15	$ 15	$ -
	Commercial (up to 30 kWth)	Flat	[2]	$ 1,000	$ 1,000	$ -
	Per kWth between 31 kWth - 260 kWth)	Per kWth	[2]	$ 7	$ 7	$ -
	Per kWth above 260 kWth	Per kWth	[2]	$ 5	$ 5	$ -
53	**New Non-solar Thermal Pool Appliance Heating Systems - Plumbing Elements only (See Fee #37 for Mechanical Components)**					
	Residential	Each		$ 141	$ 144	$ 3
	Commercial	Each		$ 141	$ 144	$ 3
54	**Repair or Replacement of Non-solar Thermal Pool Heating Systems - Plumbing Elements only Like for Like**					
	Residential	Each		$ 53	$ 54	$ 1
	Commercial	Each		$ 141	$ 144	$ 3
VI	**ADDITIONAL PLAN REVIEW / INSPECTION SERVICES**					
55	**Accessibility Hardship Review**	Each		$ 669	$ 686	$ 17
56	**Inspections Outside of Normal City Business Hours (Min. 2 hours)**					
	First 2 Hours	Per Project		$ 387	$ 397	$ 10
	Each Additional Hour (1/4 Hour Increments)	Hourly		$ 155	$ 159	$ 4
57	**Reinstatement Fee for Expired Permit**	Per Project			**50% of Base Permit Fee**	-
58	**Reinspection Fee (Min. 1/2 hour)**					
	First 1/2 Hour	Hourly		$ 106	$ 108	$ 2

Community & Economic Development - Building Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Each Additional Hour (1/4 Hour Increments)	Hourly		$ 141	$ 144	$ 3
59	**Plan Review for which No Fee is Specifically Indicated (Min. 1/2 Hour)**					
	First 1/2 Hour	Per Project		$ 116	$ 119	$ 3
	Each Additional Hour (1/4 Hour Increments)	Hourly		$ 155	$ 159	$ 4
60	**Inspections for which No Fee is Specifically Indicated (Min. 1 Hour)**					
	First 1 Hour	Per Project		$ 141	$ 144	$ 3
	Each Additional Hour (1/4 Hour Increments)	Hourly		$ 141	$ 144	$ 3
61	**Strong Motion Instrumentation Program (SMIP)**	State Fee	[1]	**Determined by the State**	**Determined by the State**	-
62	**Reissuance of Inspection Card**	Each		$ 35	$ 36	$ 1
63	**Special Inspection (SOQ Review & Approval - New and Each 3 yr. Renewal Period)**	Hourly		$ 211	$ 217	$ 6
64	**Temporary Certificates of Occupancy/Certificate of Occupancy**					
	TCO/CO Issuance (Required)	Each		$ 308	$ 316	$ 8
	TCO/CO Issuance (Non-Required)	Each		$ 106	$ 108	$ 2
65	**Partial TCO**	Each		$ 317	$ 325	$ 8
66	**Plan Review for any Submittals Subsequent to 3rd Submittal and for Revisions (Min. 1/2 hour)**					
	First 1/2 Hour	Per Project		$ 70	$ 72	$ 2
	Each Additional Hour (1/4 Hour Increments)	Hourly		$ 141	$ 144	$ 3
67	**Expedited Plan Check (Outside Normal City Business Hours)**	Each 1/2 Hr		$ 77	$ 79	$ 2
68	**Record Retention (Digitizing Fee)**					
	up to 11x17	Per Page		$ 0.17	$ 0.18	$ 0.01
	Over 11x17	Per Page		$ 2	$ 2	$ 0
	Pick-up & Delivery	Flat		$ 0.29	$ 0.30	$ 0.01
69	**Affidavit Process to Release/Provide Plans**	Each		$ 141	$ 144	$ 3
70	**AMMR Review (Minimum 2 hours)**					
	First 2 Hours	Per Project		$ 317	$ 325	$ 8
	Each Additional Hour (1/4 Hour Increments)	Hourly		$ 141	$ 144	$ 3
71	**Investigation Fee**	Each		**3 Times Permit Fee**	**3 Times Permit Fee**	-
72	**Partial Permit Issuance and Non-standard Deferred Submittals**					
	Partial Permit Issuance	Each		$ 184	$ 189	$ 5
	Non-standard Deferred Submittals	Each		$ 106	$ 108	$ 2
73	**FEMA Community Acknowledgement Form Processing (Minimum 1 Hour)**					
	First 1 Hour	Per Project		$ 141	$ 144	$ 3
	Each Additional Hour (1/4 Hour Increments)	Hourly		$ 141	$ 144	$ 3
74	**Special Projects (Minimum 1/4 hour) Special Events and Code Enforcement Activities**					
	First 1/4 Hour	Per Project		$ 35	$ 36	$ 1
	Each Additional Hour (1/4 Hour Increments)	Hourly		$ 141	$ 144	$ 3
75	**Building Moving**					
	Permit Fee	Per Permit		$ 890	$ 913	$ 23
	Other	Per Hour		$ 141	$ 144	$ 3

Community & Economic Development - Building Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
76	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	$ 144	$ 3
	After Business Hours	Per Hour		$ 155	$ 159	$ 4

Notes

[1] Fee set by State.

[2] Not Subject to Inflationary Adjustment

Police Department

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
1	**Alarm Permit; False Alarms**					
	Alarm User Permit	Per Permit		$ 24	$ 24	$ -
2	**False alarm costs, (plus penalties):**		[5]			
	4th Response	Each		$ 475	$ 488	$ 13
	5th Response	Each		$ 475	$ 488	$ 13
	6th Response	Each		$ 475	$ 488	$ 13
	7th Response	Each		$ 475	$ 488	$ 13
3	**Bicycles**					
	License and Registration	Per 3 Years		$ 12	$ 12	$ -
	Renewal	Per 3 Years		$ 12	$ 12	$ -
4	**Bingo**					
	License	Each		$ 65	$ 67	$ 2
	Renewal	Each		$ 13	$ 13	$ -
5	**Cardrooms**					
	License and Renewal	Each		$ 53	$ 55	$ 2
	Dealer/Work Permit	Each		$ 53	$ 55	$ 2
	Department of Justice Fee	Per Permit	[1] [9]	$ 32	$ 32	$ -
	(City Fingerprint Fee)	Each		**See Fingerprint Fee #11**	**See Fingerprint Fee #11**	-
6	**Citation Sign-off for Agencies Outside the City**	Per Citation		$ 42	$ 43	$ 1
7	**Clearance Letter (for Immigration or other Clearance Letter, Plus Fingerprint Fees)**	Per Letter		$ 24	$ 24	$ -
8	**Crime Report/Traffic Report Copy**					
	Per Page, Bulletin Entry	Per Page	[8] [9]	$ 0.15	$ 0.15	$ -
	Certified Copy of Reports	Per Letter		$ 12	$ 12	$ -
	Crime Analysis Reports	Per Report		$ 118	$ 121	$ 3
	Traffic collision Report (for other than Victim)	Per Report	[8] [9]	$ 0.15	$ 0.15	$ -
9	**DUI**		[2] [9]			
	Accident Response and investigation	Actual Cost		$ 12,588	$ 12,915	$ 327
	Arrest and Report	Actual Cost		$ 1,049	$ 1,076	$ 27
10	**Concealed Weapons**					
	Permit	Per Permit	[3]	$ 325	$ 333	$ 8
	Department of Justice Live Scan Fee	Per Permit	[9]	$ 95	$ 95	$ -
	Renewal	Per Permit Renewal		$ 25	$ 26	$ 1
	Department of Justice Fee - Payable to DOJ	Per Permit	[1] [9]	$ 52	$ 52	$ -
	Amended License	Per Amendment	[10]	$ 10	$ 10	$ -
	(City Fingerprint Fee)	Each		**See Fingerprint Fee #11**	**See Fingerprint Fee #11**	-
11	**DOJ, FBI and Fingerprint**					
	DOJ and FBI Fee	Per Print	[1]	**Per DOJ Fee Schedule**	**Per DOJ Fee Schedule**	
	Fingerprint (City's Rolling Fee)	Per Request	[9]	$ 28	$ 29	$ 1
12	**Firearms Sales Permit**	Per Permit	[4] [9]	$ 28	$ 28	$ -
	Department of Justice Fee	Per Permit	[1] [9]	$ 32	$ 32	$ -
	(City Fingerprint Fee)	Each		**See Fingerprint Fee #11**	**See Fingerprint Fee #11**	-

Police Department

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
13	**Palmistry License Fee**					
	New	Per License		**$ 118**	**$ 121**	**$ 3**
	Renewal	Per Renewal		**$ 118**	**$ 121**	**$ 3**
14	**Police Photo (reproduction)**	Per Photo		**$ 59**	**$ 61**	**$ 2**
	Plus traffic photo processing Fee to insurance company	Per Photo		**$ 59**	**$ 61**	**$ 2**
	Photo CD's	Per CD		**$ 59**	**$ 61**	**$ 2**
	Tape of Radio/Video Transmission, Digital or Hard copy Photographs	Per Tape		**$ 118**	**$ 121**	**$ 3**
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**	**$ -**
17	**Second-hand Dealer/Pawn Broker**					
	New or Renewal (Check payable to DOJ)	Each	[7]			
	City Processing Fee	Each		**$ 85**	**$ 87**	**$ 2**
	DOJ Fee	Each		**$ 300**	**$ 300**	**$ -**
	Class B	Each	[1]	**$ 32**	**$ 32**	**$ -**
18	**Taxi Driver**					
	Permit	Per Permit		**$ 118**	**$ 121**	**$ 3**
	Renewal	Per Renewal		**$ 53**	**$ 55**	**$ 2**
	Background investigation	Each		**$ 118**	**$ 121**	**$ 3**
	(City Fingerprint Fee)	Each		**See Fingerprint Fee #11**	**See Fingerprint Fee #11**	**-**
19	**Tow Truck Driver/Attendant**					
	Permit	Per Permit		**$ 53**	**$ 55**	**$ 2**
	Renewal	Per Renewal		**$ 36**	**$ 36**	**$ -**
20	**Vehicle Release**	Per Vehicle		**$ 154**	**$ 158**	**$ 4**
21	**VIN Verification**	Per Request		**$ 297**	**$ 305**	**$ 8**
22	**Storage of Firearms**		[6]			
	Intake/Processing Fee	Per Firearm		**$ 178**	**$ 182**	**$ 4**
	Storage of Firearm (per domestic violence protective order)	Per Day		**$ 2**	**$ 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**	**$ 183**	**$ 5**
	Records	Per Hour		**$ 118**	**$ 121**	**$ 3**

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] 50% due at application and 50% due at issuance per PC 26190(b)(2)
[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 7922.530(a) government code and 20012 California Vehicle Code
[9] Not Subject to Inflationary Adjustment
[10] Fee set by PC 26190(e)

Police - Animal Services Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
1	Animal Services		[5]			
	Animal Adoption, Plus Veterinary Services	Per Animal		**$ 6**	**$ 6**	**$ -**
2	Animal bite	Per Call	[1]	**$ 71**	**$ 73**	**$ 2**
3	Board and Care (Daily)					
	For impounded dogs	Per Dog		**$ 59**	**$ 61**	**$ 2**
	For impounded cats	Per Cat		**$ 59**	**$ 61**	**$ 2**
4	Cat Carrier	Per Carrier	[4]	**Actual Cost of Carrier**	**Actual Cost of Carrier**	**-**
5	Cat Neuter	Per Cat	[2]	**Actual Cost of Vet Services**	**Actual Cost of Vet Services**	**-**
6	Cat Spay	Per Cat	[2]	**Actual Cost of Vet Services**	**Actual Cost of Vet Services**	**-**
7	Collar identification	Per Animal	[2]	**Actual Cost of Collar**	**Actual Cost of Collar**	**-**
8	Dog Neuter	Per Dog	[2]	**Actual Cost of Vet Services**	**Actual Cost of Vet Services**	**-**
9	Dog Spay	Per Dog	[2]	**Actual Cost of Vet Services**	**Actual Cost of Vet Services**	**-**
10	Impound					
	First	Per Animal		**$ 31**	**$ 32**	**$ 1**
	Second	Per Animal		**$ 47**	**$ 48**	**$ 1**
	Third and Above	Per Animal		**$ 63**	**$ 65**	**$ 2**
11	Impound, Additional State fee for Unaltered, at Large, Animals:		[3]			
	First	Per Animal		**As set by State**	**As set by State**	**-**
	Second	Per Animal				
	Third	Per Animal				
12	License Fee					
	Unaltered dogs	Per Dog, per year		**$ 35**	**$ 36**	**$ 1**
	Altered dogs	Per Dog, per year		**$ 35**	**$ 36**	**$ 1**
	Replacement for lost	Per License		**$ 35**	**$ 36**	**$ 1**
	Late Fee	Each	[6]	**$ 22**	**$ 22**	**$ -**

Police - Animal Services Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
13	Low cost Spay/Neuter voucher	Per Animal		**$ 47**	**$ 48**	**$ 1**
14	Multiple Pet Permit Application					
	Application	Each		**$ 425**	**$ 436**	**$ 11**
	Permit	Each		**$ 31**	**$ 32**	**$ 1**
15	Owner Surrender		[1]			
	Live Animal	Per Animal		**$ 35**	**$ 36**	**$ 1**
	Deceased Animal (Not at Shelter)	Per Animal		**$ 71**	**$ 73**	**$ 2**
16	Rabies vaccination Voucher	Per Animal	[2]	**$ 22**	**$ 22**	**$ - **
17	Vaccination	Per Animal		**Actual cost of vaccination**	**Actual cost of vaccination**	**-**
18	Veterinary Costs	Actual Cost		**Actual Cost**	**Actual Cost**	
19	SNR Trap Rental	Each	[7]	**$ 63**	**$ 65**	**$ 2**
20	SNR Fee	Each		**$ 21**	**$ 22**	**$ 1**
21	Breeder Certificate	Each		**$ 105**	**$ 108**	**$ 3**
22	Dangerous Dog Permit	Each		**$ 105**	**$ 108**	**$ 3**
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.	Per Hour		**$ 142**	**$ 146**	**$ 4**

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.

Public Works Department

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
1	Banner Installation and Removal					
	New Location	Per Bracket		$ 227	$ 233	$ 6
	Existing Banner Site	Each		$ 182	$ 186	$ 4
2	Tree Removal Permits	Actual Cost		**Actual Cost**	**Actual Cost**	-
3	Tree Pruning/Maintenance Permit	Per Permit		$ 595	$ 611	$ 16
4	Tree Maintenance Inspection	Per Inspection		$ 446	$ 458	$ 12
5	Special Events (Support to Parks, Recreation & Community Services)	Per Event	[1]	$ 836	$ 857	$ 21
6	Utilities Turn On/Off	Per Trip		**See Utilities Fee Schedule**	**See Utilities Fee Schedule**	-
7	Shopping Cart Retrieval	Per Retrieval		$ 272	$ 279	$ 7
8	Sidewalk Maintenance	Actual Cost		**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	$ 126	$ 3

Notes

[1] Non-profit organizations receive a 50% discount.

Public Works - Utilities Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	NPDES MS4 PERMIT AND WATER EFFICIENCY REVIEW					
1	Tentative Subdivision Map/Vesting Tentative/Specific Plan					
	Plan Review	Each		**$ 175**	**$ 180**	**$ 5**
2	Single Family					
	Plan Review	Per Building		**$ 40**	**$ 41**	**$ 1**
	Permit	Per Building		**$ 40**	**$ 41**	**$ 1**
3	Multiple Family Dwellings, Trailer Courts, Guest Dwellings, or Condominiums					
	Plan Review	Per Building		**$ 40**	**$ 41**	**$ 1**
	Permit	Per Building		**$ 40**	**$ 41**	**$ 1**
4	School Buildings or Churches					
	Plan Review	Per Building		**$ 40**	**$ 41**	**$ 1**
	Permit	Per Building		**$ 40**	**$ 41**	**$ 1**
5	Commercial Installations					
	Plan Review	Per Building		**$ 61**	**$ 62**	**$ 1**
	Permit	Per Building		**$ 61**	**$ 62**	**$ 1**
6	Industrial Installations					
	Plan Review	Per Building		**$ 61**	**$ 62**	**$ 1**
	Permit	Per Building		**$ 61**	**$ 62**	**$ 1**
7	Post-Construction Standards Maintenance Agreement					
	Plan Review, Submittal and Recording	Per Agreement		**$ 269**	**$ 276**	**$ 7**
8	Project Stormwater Plan and Operations Maintenance Plan					
	Plan Review	Per Plan		**$ 40**	**$ 41**	**$ 1**
9	Erosion and Sediment Control Plan (Small Projects)					
	Plan Review	Per Plan		**$ 40**	**$ 41**	**$ 1**
10	WELO Landscape Document Package Review					
	Prescriptive Approach (Aggregate under 2,500 Sq.Ft.)	Per Package		**$ 40**	**$ 41**	**$ 1**
	Performance Approach (>2,500 sq. ft.)	Per Package		**$ 135**	**$ 138**	**$ 3**
11	Trash Enclosure					
	Plan Review	Per Building		**$ 20**	**$ 21**	**$ 1**
	Permit	Per Building		**$ 20**	**$ 21**	**$ 1**
12	Business License Fee					
	Application Review	Per Application		**$ 34**	**$ 35**	**$ 1**
	Compliance Inspection	Per Application		**$ 67**	**$ 69**	**$ 2**
	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**	**$ 138**	**$ 3**
	Inspection of Const. sites with grading Permits that disturb 5,000 Sq.ft or More	Per Inspection		**$ 175**	**$ 180**	**$ 5**
	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**	**$ 41**	**$ 1**

Public Works - Utilities Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Inspection of New and Redevelopment Projects With More Than 2500 Sq. Ft. or More of New or Rehabilitated Landscape	Per Inspection		$ 135	$ 138	$ 3
	STORMWATER POST-CONSTRUCTION TREATMENT ANNUAL MAINTENANCE INSPECTION					
15	Residential	Per Inspection		$ 175	$ 180	$ 5
16	Commercial / Industrial	Per Inspection		$ 175	$ 180	$ 5
	CONSTRUCTION GENERAL Permit - SWPPP or ESCP					
17	Plan Review	Per Plan		$ 135	$ 138	$ 3
18	Compliance Inspection (2x Per month)					
	< 1 Acre	Per Inspection		$ 135	$ 138	$ 3
	> 1 Acre	Per Inspection		$ 175	$ 180	$ 5
19	Notice of Termination					
	< 1 Acre	Per Inspection		$ 135	$ 138	$ 3
	> 1 Acre	Per Inspection		$ 175	$ 180	$ 5
20	Dewatering Report Review	Per Sampling		$ 61	$ 62	$ 1
	CONSTRUCTION WATER - METERING					
21	Application Review	Per Application		$ 40	$ 41	$ 1
22	Meter Deposit	Per meter		**Actual Replacement Cost**	**Actual Replacement Cost**	-
23	Permit					
	Metered	Per Project		$ 67	$ 69	$ 2
	Load Count	Per Project		$ 101	$ 104	$ 3
24	Meter Rental - Daily	Per Meter		$ 26	$ 26	$ -
25	Unpermitted use of fire hydrant for construction water					
	1st Violation	Per Violation		$ 52	$ 53	$ 1
	2nd Violation	Per Violation		$ 105	$ 108	$ 3
	3rd and More	Per Violation		$ 525	$ 539	$ 14
	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	$ 63	$ 2
27	Miscellaneous Installations such food service establishments and dental offices					
	Plan Review	Per Building		$ 40	$ 41	$ 1
	DISCHARGE Permit					
28	Discharge Permit—Initial Permit Fee					
	Class I Permit (SIU)	First Year		$ 2,525	$ 2,591	$ 66

Public Works - Utilities Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Class II Permit (NSIU/NSCIU/Zero-Discharge Categorical)--Three (3) Year Permit	First Year		$ 805	$ 826	$ 21
	Class III Permit (Temporary Discharge Permit)	First Permit Cycle		$ 1,212	$ 1,244	$ 32
	Class IV Permit (Hauled Liquid Waste)--Five (5) Year Permit	First Year		$ 808	$ 829	$ 21
29	Discharge Permit—Annual Permit Fee					
	Class I Permit (SIU)	Annually		$ 1,919	$ 1,969	$ 50
	Class II Permit (NSIU/NSCIU/Zero-discharge categorical)	Annually		$ 421	$ 432	$ 11
	Class III Permit (Temporary Discharge Permit)	Annually		$ 673	$ 690	$ 17
	Class IV Permit (Hauled Liquid Waste)	Annually		$ 556	$ 570	$ 14
30	Re-Inspection/Sampling/non-compliance Inspection	Per Inspection		$ 303	$ 311	$ 8
31	Laboratory Analysis Cost and Rental Equipment Charges	Per Analysis		Actual Cost	Actual Cost	-
	ENVIRONMENTAL COMPLIANCE					
32	Food Service Establishment/FOG Annual Inspection/ Annual Permit Fee					
	Small Generator	Annually		$ 168	$ 172	$ 4
	Medium Generator	Annually		$ 215	$ 221	$ 6
	Large Generator	Annually		$ 303	$ 311	$ 8
33	Re-Inspection/Sampling/non-compliance Inspection	Per Inspection		$ 202	$ 207	$ 5
34	Dental Facility One-Time Compliance Report Fee	Per Report		$ 67	$ 69	$ 2
	NEW WATER MAIN TESTING					
35	Sampling by City Staff - Per site (Charges Begin Following Initial Sampling and One (1) Resampling Event)	Per Sample		$ 135	$ 139	$ 4
36	Laboratory Analysis Cost and Rental Equipment Charges	Per Sample		$ 135	$ 139	$ 4
37	Backflow Device Testing	Per Device		$ 404	$ 415	$ 11
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	$ 139	$ 4

Notes

Public Works - Engineering Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
1	Agreement Processing					
	Subdivision Improvement Agreement	Per Agreement	[10]	$ 7,401	$ 7,594	$ 193
	Off-site Improvement Agreement	Per Agreement	[10]	$ 7,853	$ 8,058	$ 205
	Park Improvement and Reimbursement Agreement	Per Agreement	[10]	$ 6,620	$ 6,792	$ 172
	Right of Entry Agreement	Per Agreement	[10]	$ -	$ 1,400	$ 1,400
2	SIA, OIA, PIRA, Any Amendment	Per Amendment		$ 5,921	$ 6,075	$ 154
3	Grading Plan Check					
	10,000	Base Fee		$ 12,718	$ 13,048	$ 330
	Each Additional 10,000 CY	Each Add'l		$ 573.41	$ 588.31	$ 14.91
	100,000	Base Fee		$ 17,878	$ 18,343	$ 465
	Each Additional 10,000 CY	Each Add'l		$ 542.83	$ 556.94	$ 14.11
	200,000	Base Fee		$ 23,307	$ 23,913	$ 606
	Each Additional 10,000 CY	Each Add'l		$ 1,165.34	$ 1,195.63	$ 30.30
4	Grading Permit and Inspection					
	Residential or Commercial Lots (Up to 5)	Per Project		$ 5,919	$ 6,073	$ 154
	Subdivisions (5 Lots or More)	Per Project		$ 11,723	$ 12,028	$ 305
	Re-inspection Fee	Per Inspection		$ 656	$ 673	$ 17
5	4th & Subsequent Plan Check	Per Submittal		$ 1,283	$ 1,316	$ 33
	SUBDIVISIONS		[5]			
6	Final Parcel Map Review	Per Project	[11]	$ 4,947	$ 5,075	$ 128
7	Final Subdivision Map Review					
	5 - 49 Lots	Per Project	[11]	$ 7,415	$ 7,607	$ 193
	50 - 100 Lots	Per Project		$ 15,645	$ 16,052	$ 407
	>100 Lots, Each Additional 100 Lots	Per 100 Lots		$ 15,960	$ 16,375	$ 415
8	Final Map Amendment Review	Per Project		$ 6,474	$ 6,642	$ 168
9	Certification of Correction	Per Project		$ 4,976	$ 5,105	$ 129
10	Non-Technical Correction (i.e. misspellings)	Per Project		$ 226	$ 232	$ 6
11	Certificate of Compliance	Per Application		$ 3,481	$ 3,572	$ 91
12	Legal Description and Plat Review (Ex:Lot Merger/Lot Line Adjustment/Easement Modification)	Per Submittal		$ 3,166	$ 3,249	$ 82

Public Works - Engineering Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	PUBLIC IMPROVEMENTS					
13	Plan Check	Per Project up to $5M, Deposit/Actual Cost >$5M	[11]			
	$ 2,000	Base Fee		**$ 8,562**	**$ 8,785**	**$ 223**
	Each Additional $1,000 or Fraction thereof	Each Add'l $1,000	[11]	**$ 288.68**	**$ 296.19**	**$ 7.51**
	$ 25,000	Base Fee		**$ 15,202**	**$ 15,597**	**$ 395**
	Each Additional $1,000 or Fraction thereof	Each Add'l $1,000	[11]	**$ 396.77**	**$ 407.09**	**$ 10.32**
	$ 50,000	Base Fee		**$ 25,121**	**$ 25,774**	**$ 653**
	Each Additional $1,000 or Fraction thereof	Each Add'l $1,000	[11]	**$ 121.28**	**$ 124.44**	**$ 3.15**
	$ 100,000	Base Fee		**$ 31,185**	**$ 31,996**	**$ 811**
	Each Additional $1,000 or Fraction thereof	Each Add'l $1,000	[11]	**$ 9.27**	**$ 9.51**	**$ 0.24**
	$ 500,000	Base Fee		**$ 34,893**	**$ 35,801**	**$ 908**
	Each Additional $1,000 or Fraction thereof	Each Add'l $1,000	[11]	**$ 28.00**	**$ 28.73**	**$ 0.73**
	$ 1,000,000	Base Fee		**$ 48,893**	**$ 50,164**	**$ 1,271**
	Each Additional $1,000 or Fraction thereof	Each Add'l $1,000	[11]	**$ 10.98**	**$ 11.26**	**$ 0.29**
	$ 5,000,000	Base Fee		**$ 92,795**	**$ 95,208**	**$ 2,413**
	Each Additional $1,000 or Fraction thereof	Each Add'l $1,000	[11]	**$ 18.56**	**$ 19.04**	**$ 0.48**
14	Inspection	Per Project up to $5M, Deposit/Actual Cost >$5M				
	$ 2,000	Base Fee		**$ 1,116**	**$ 1,145**	**$ 29**
	Each Additional $1,000 or Fraction thereof	Each Add'l $1,000		**$ 57.85**	**$ 59.36**	**$ 1.50**
	$ 25,000	Base Fee		**$ 2,447**	**$ 2,510**	**$ 63**
	Each Additional $1,000 or Fraction thereof	Each Add'l $1,000		**$ 87.32**	**$ 89.59**	**$ 2.27**
	$ 50,000	Base Fee		**$ 4,630**	**$ 4,750**	**$ 120**
	Each Additional $1,000 or Fraction thereof	Each Add'l $1,000		**$ 44.25**	**$ 45.40**	**$ 1.15**
	$ 100,000	Base Fee		**$ 6,842**	**$ 7,020**	**$ 178**
	Each Additional $1,000 or Fraction thereof	Each Add'l $1,000		**$ 61.42**	**$ 63.01**	**$ 1.60**

Public Works - Engineering Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	$ 500,000	Base Fee		$ 31,409	$ 32,225	$ 816
	Each Additional $1,000 or Fraction thereof	Each Add'l $1,000		$ 47.30	$ 48.53	$ 1.23
	$ 1,000,000	Base Fee		$ 55,058	$ 56,490	$ 1,432
	Each Additional $1,000 or Fraction thereof	Each Add'l $1,000		$ 57.88	$ 59.38	$ 1.50
	$ 5,000,000	Base Fee		$ 286,572	$ 294,023	$ 7,451
	Each Additional $1,000 or Fraction thereof	Each Add'l $1,000		$ 57.31	$ 58.80	$ 1.49
15	As-builts, Review after Construction	Per Lot		$ 3,549	$ 3,642	$ 93
16	Water Treatment Plan Check/ NPDES Compliance	Per Project		$ 2,262	$ 2,321	$ 59
17	MWELO	Per Project		$ 113	$ 116	$ 3
18	**MICRO IMAGING FEES**		[1,2]			
	11" X 17" and smaller (B&W or Grayscale with 2" Field Index)	Each Page		$ 0.08	$ 0.08	$ -
	Larger than 11" X 17" (B&W or Grayscale with a Two-Field Index)	Each Page		$ 0.88	$ 0.88	$ -
	11" X 17" and smaller (Color with Two-Field Index)	Each Page		$ 0.15	$ 0.15	$ -
	18" X 24" Color document with a Two-Field Index	Each Page		$ 0.53	$ 0.53	$ -
	24" X 36" Color document with a Two-Field Index	Each Page		$ 2.00	$ 2.00	$ -
19	Segregation of Assessment	Per Lot		$ 1,448	$ 1,485	$ 37
20	Record of Survey	Per Lot		$ 4,275	$ 4,386	$ 111
21	Street Easement Abandonment	Per Lot		$ 9,703	$ 9,955	$ 252
22	**ENCROACHMENT PERMITS**		[4]			
	Minor: Includes Curb, Gutter, Sidewalk, Driveway Work, Small Business Sidewalk Sales	Flat	[6,12]	$ 851	$ 873	$ 22
	Moderate: Includes New Service Laterals, Existing Lateral Repair or Replacement, Street Pothole	Flat	[6,7,8, 12]	$ 2,267	$ 2,326	$ 59
	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	$ 2,413	$ 61
	Each Additional $1,000 or Fraction thereof	Flat		$ 19.67	$ 20	$ 1
	$ 50,000	Flat		$ 3,139	$ 3,220	$ 81
	Each Additional $1,000 or Fraction thereof	Flat		$ 60.71	$ 62	$ 2
	$ 100,000	Flat		$ 6,174	$ 6,335	$ 161
	Each Additional $1,000 or Fraction thereof	Flat		$ 10.47	$ 11	$ 0
	$ 500,000	Flat		$ 10,361	$ 10,630	$ 269
	Each Additional $1,000 or Fraction thereof	Flat		$ 12.89	$ 13	$ 0
	$ 1,000,000	Flat		$ 16,807	$ 17,244	$ 437
	Each Additional $1,000 or Fraction thereof	Flat		$ 16.81	$ 17	$ 0

Public Works - Engineering Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Swimming Pool	Per Project	[12]	$ 992	$ 1,018	$ 26
23	**OVERSIZE LOAD PERMIT**		[3]			
	Single Permit	Per Permit	[9]	$ 16	$ 16	$ -
	Annual or Blanket Permit (Fixed Route)	Annual	[9]	$ 90	$ 90	$ -
24	**REPRODUCTION, MAP AND DOCUMENT SALES**		[1,2]			
	Standard Plans, Standard Specs, and Design Standards	Per Doc		$ 18	$ 18	$ -
	Parks Manual	Per Doc		$ 88	$ 88	$ -
	Storm Drainage Master Plans	Per Doc		$ 24	$ 24	$ -
	Subdivision Maps	Per Doc		$ 6	$ 6	$ -
	Reproduction Fees	Per Sheet		$ 2	$ 2	$ -
	NEW ADDRESS MAPPING FEES					
25	Single-family/Single Building or Single Address	Per Lot		$ 452	$ 464	$ 12
26	Multi-Family Projects/Subdivisions					
	2-10 units	Flat		$ 679	$ 696	$ 17
	11-100 units	Flat		$ 905	$ 928	$ 23
	101+ units	Flat		$ 1,131	$ 1,160	$ 29
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	$ 140	$ 3
	After Business Hours	Per Hour		$ 149	$ 153	$ 4

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

[9] Not Subject to Inflationary Adjustment

[10] Base fee (<10 eng hours) + hourly fee after 11+ hours

[11] Subject to 4th & Subsequent Plan Check Fee

[12] Base fee + hourly inspection fee

Parks, Recreation & Community Services - Recreation Services Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
1	**Administration**					
	Advertising Fee for Activity Guide	Per Advertisement	[1]			
	Full Page, Back Cover			$ 1,153	$ 1,183	$ 30
	Full Page, Inside Back Cover			$ 577	$ 592	$ 15
	½ Page, Inside			$ 404	$ 414	$ 10
	¼ Page, Inside			$ 231	$ 237	$ 6
	Program Transaction Fee (Applied to withdrawal, refund, credit, or transfer)	Per Transaction		$ 5	$ 5	$ -
	Early Registration Discount	Per Advertisement	[3]	$ (10)	$ (11)	$ (1)
	Online Registration Discount	Per Advertisement	[3]	$ (10)	$ (11)	$ (1)
	Sibling Registration Discount	Per Advertisement	[3]	10%	11%	1%
	Range of Fee Increase for Contract Classes	Per Advertisement		21%	22%	1%
	Volunteer Incentive Discount (volunteers for youth league programs i.e. Jr. Giants, Jr. Warriors)	Per Registration	[4]	15%	15%	0%
	10% Non-Resident fee applied to all classes, programs, leagues, camps, etc.	Per Registration	[7]	10%	10%	0%
	Lost, Broken, or Stolen Equipment Replacement Cost	Per item			Actual Cost	
2	**Special Interest**					
	Academic Tutoring/Homework Help	Per 4-Week Session	[4,7]	$ 149	$ 149	$ -
	Adult, Child, Infant CPR & AED Training	Per Class	[4,7]		$ 100	$ 100
	AI and ML for Young Minds	Per 1 -Week Session	[4,7]		$ 300	$ 300
	American Sign Language for Beginners	Per 5-Week Session	[4,7]		$ 120	$ 120
	Anxious About Anxiety: Scared to Socialize	Per 8-Week Session	[4,7]		$ 300	$ 300
	Anxious About Anxiety: Panicking About Panic Attacks	Per 8-Week Session	[4,7]		$ 300	$ 300
	App Design	Per 1-Week Session	[4,7]	$ 209	$ 214	$ 5
	App Design on Android	Per 1-Week Session	[4,7]	$ 160	$ 164	$ 4
	App Design on Android (Half Day)	Per 1-Week Session	[4,7]		$ 199	$ 199
	App Design on Android	Per 12-Week Session	[4,7]		$ 275	$ 275
	Athletic Perfection Rolls, Handstands & Cartwheels	Per 4-Week Session	[4,7]	$ 93	$ 96	$ 3
	Cleantech with Electrical Circuit Kits	Per 1-Week Session	[4,7]		$ 300	$ 300
	Code Your Own Arcade Adventure	Per 4-Week Session	[4,7]		$ 229	$ 229
	Creative Writing	Per 1-Week Session	[4,7]		$ 299	$ 299
	Creative Writing, 2D Animation, Coding, Sketching	Per 1-Week Session	[4,7]	$ 229	$ 229	$ -

Parks, Recreation & Community Services - Recreation Services Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Creative Writing, 2D Animation, Coding, Sketching (Full Day)	Per 1-Week Session	[4,7]		$ 449	$ 449
	Design A Robotic Car	Per 1-Week Session	[4,7]	$ 244	$ 244	$ -
	Design Your Own Website	Per 1-Week Session	[4,7]	$ 199	$ 199	$ -
	Design Your Own Toys with a 3D Pen	Per 1-Week Session	[4,7]		$ 275	$ 275
	Digital Art with Python	Per 1-Week Session	[4,7]	$ 199	$ 199	$ -
	Exploring Robots with Sphero RVR	Per 1-Week Session	[4,7]	$ 199	$ 199	$ -
	Exploring Robots with Sphero RVR	Per 12-Week Session	[4,7]		$ 295	$ 295
	Exploring Robots with Sphero RVR & Little Bits	Per 12-Week Session	[4,7]		$ 295	$ 295
	Exploring Robots with Sphero RVR, Little Bits & MicroBits	Per 1 Week-Session	[4,7]		$ 449	$ 449
	Game Design	Per 4-Week Session	[4,7]	$ 119	$ 119	$ -
	Game Design Coding Adventure	Per 1-Week Session	[4,7]	$ -	$ 359	$ 359
	Game Design Level 1	Per 1-Week Session	[4,7]	$ 189	$ 189	$ -
	Game Design Level 2	Per 4-Week Session	[4,7]	$ 189	$ 189	$ -
	Game Design with Scratch	Per 4-Week Session	[4,7]	$ 275	$ 275	$ -
	Game Development with Microsoft MakeCode	Per 4-Week Session	[4,7]		$ 199	$ 199
	Hands-on-Coding to Play with Your Bot	Per 1-Week Session	[4,7]		$ 275	$ 275
	Introduction to App Design for Android	Per 1-Week Session	[4,7]	$ 325	$ 325	$ -
	Introduction to Python	Per 12-Week Session	[4,7]	$ 275	$ 275	$ -
	Investing in Stocks, Bonds, and More…	Per 1 Week-Session	[4,7]		$ 325	$ 325
	Junior Developers	Per 4-Week Session	[4,7]		$ 199	$ 199
	JR STEM Discoveries	Per 4-Week Session	[4,7]		$ 229	$ 229
	LEGO Camp (Half Day)	Per Week	[4,7]	$ 252	$ 259	$ 7
	Minecraft Modding	Per 4-Week Session	[4,7]		$ 199	$ 199
	Money Matters: From Barter to Blockchain	Per 1-Week Session	[4,7]		$ 300	$ 300
	Python Programming	Per 1-Week Session	[4,7]	$ 199	$ 199	$ -
	Roblox Game Design (Half Day)	Per 12-Week Session	[4,7]	$ 275	$ 299	$ 24
	Roblox Game Design (Full Day)	Per 1-Week Session	[4,7]		$ 449	$ 449
	Roblox Game Designer	Per 1-Week Session	[4,7]		$ 199	$ 199
	Roblox Development	Per 4-Week Sesssion	[4,7]		$ 199	$ 199
	Robotics - Design your Rover with Sphero's RVR & Little Bits	Per 1-Week Session	[4,7]	$ 225	$ 225	$ -
	Robotics - Design your Rover with Sphero's RVR & MicroBit	Per 1-Week Session	[4,7]	$ 180	$ 180	$ -

Parks, Recreation & Community Services - Recreation Services Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Robotics - Design your Rover with Sphero's RVR & RaspberryPi	Per 1-Week Session	[4,7]	$ 225	$ 225	$ -
	Robotics – Design & Program your Car with Arduino	Per 1-Week Session	[4,7]	$ 485	$ 485	$ -
	STEM/3D Print	Per 4 Week Session	[4,7]		$ 199	$ 199
	Story Writing & Animation Coding with Scratch	Per 1-Week Session	[4,7]	$ 214	$ 214	$ -
	Use AI to Create Your Own Video Game with Scratch	Per 1-Week Session	[4,7]		$ 300	$ 300
	Your Startup Pitch That VCs Would Love	Per 1-Week Session	[4,7]		$ 325	$ 325
	Tennis					
	Adult Beginning Tennis	Per 4-Week Session	[4,7]	$ 83	$ 85	$ 2
	Tiny Tots Tennis Lesson	Per 4-Week Session	[4,7]	$ 42	$ 51	$ 9
	Junior Beginner Tennis Lesson	Per 4-Week Session	[4,7]	$ 42	$ 51	$ 9
	Beginners Tennis Summer Camp	Per 4-Day Session	[4,7]	$ 84	$ 102	$ 18
	12 & Under Tennis	Per 4-Week Session	[4,7]	$ 72	$ 82	$ 10
	High School Tennis Prep	Per 4-Week Session	[4,7]	$ 72	$ 82	$ 10
	Middle School/High School Team Tennis Prep	Per 4-Week Session	[4,7]	$ 72	$ 74	$ 2
	Middle School (Challenger) Team Tennis Prep	Per 4-Week Session	[4,7]		$ 82	$ 82
	Middle School/High School Tennis Summer Camp	Per 4-Day Session	[4,7]		$ 152	$ 152
	13 & Under Tennis Camp	Per 1-Week Session	[4,7]	$ 68	$ 82	$ 14
	Unraveling Computers & Coding	Per 1-Week Session	[4,7]	$ 199	$ 199	$ -
	Unraveling Computers & Coding Level 1	Per 1-Week Session	[4,7]	$ 199	$ 199	$ -
	Website Designing with HTML/CSS/JavaScript	Per 12-Week Session	[4,7]	$ 275	$ 275	$ -
	Winter Camp - Game Design	Per 1-Week Session	[4,7]	$ 109	$ 109	$ -
	Winter Camp - Young Engineers	Per 1-Week Session	[4,7]	$ 99	$ 99	$ -
	Fall Break Camp - Young Engineers	Per 3-Day Session	[4,7]		$ 295	$ 295
	Spring Break Camp - Young Engineers	Per 1-Week Session	[4,7]		$ 295	$ 295
	Summer Camp - Young Enginners (Half Day) Camp	Per 1-Week Session	[4,7]		$ 299	$ 299
	Summer Camp - Young Enginners (Full Day) Camp	Per 1-Week Session	[4,7]		$ 449	$ 449
	Young Engineers	Per 4-Week Session	[4,7]	$ 119	$ 119	$ -
	Young Engineers Camp	Per 1-Week Session	[4,7]		$ 199	$ 199
	Young Engineers	Per 12-Week Session	[4,7]		$ 295	$ 295
	Building Confidence in Public Speaking	Per 1-Week Session	[4,7]	$ 199	$ 199	$ -
	Speaking with Confidence	Per 1-Week Session	[4,7]	$ 199	$ 199	$ -
	Debates and Public Speaking Combo Series	Per 1-Week Session	[4,7]	$ 199	$ 199	$ -

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Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Debates and Public Speaking Level 1	Per 1-Week Session	[4,7]	$ 199	$ 199	$ -
	Debates and Public Speaking Level 2	Per 1-Week Session	[4,7]	$ 199	$ 199	$ -
	Essentials of Debating	Per 1-Week Session	[4,7]	$ 160	$ 160	$ -
	Fiesta Cooking Camp	Per 1-Week Session	[4,7]		$ 305	$ 305
	Gurus Building Public Speaking Confidence	Per 1-Week Session	[4,7]	$ 199	$ 199	$ -
	Gurus Medi Kids: Health Matters	Per 1-Week Session	[4,7]	$ 149	$ 149	$ -
	Introduction to Speech Writing	Per 1-Week Session	[4,7]	$ 160	$ 160	$ -
	Little Masters of Public Speaking Level 2	Per 1-Week Session	[4,7]	$ 199	$ 199	$ -
	Personal Finance	Per 1-Week Session	[4,7]	$ 149	$ 149	$ -
	Basic Personal Finance	Per 2-Week Session	[4,7]		$ 100	$ 100
	Pre-Public Speaking- Advanced Speech Writing	Per 1-Week Session	[4,7]	$ 160	$ 160	$ -
	Pre-Public Speaking- Building Confidence	Per 1-Week Session	[4,7]	$ 160	$ 160	$ -
	Public Speaking & Debate Skills - Sports & Teams	Per 1-Week Session	[4,7]	$ 149	$ 149	$ -
	Public Speaking and Debates Spring Break Camp	Per 1-Week Session	[4,7]	$ 199	$ 199	$ -
	Public Speaking and Debating Skills: TED Talk Style	Per 1-Week Session	[4,7]	$ 149	$ 149	$ -
	Public Speaking and Debating Skills: Theme Around the World	Per 1-Week Session	[4,7]	$ 249	$ 249	$ -
	Public Speaking and Debating Skills: Theme: Super Powers	Per 1-Week Session	[4,7]	$ 249	$ 249	$ -
	SMART Camp	Per 1-Week Session	[4,7]	$ 299	$ 299	$ -
	Writing & Creativity Skills - Nature is Beautiful	Per 1-Week Session	[4,7]	$ 149	$ 149	$ -
	Baseball Tots	Per 6-Week Session	[4,7]	$ 49	$ 50	$ 1
	Beach Volleyball Camp	Per 1-Week Session	[4,7]	$ 159	$ 159	$ -
	Beginning Golf Camp	Per 1-Week Session	[4,7]	$ 165	$ 165	$ -
	Chess	Per 7-Week Session	[4,7]		$ 125	$ 125
	Spring Chess Camp	Per 1-Week Session	[4,7]		$ 225	$ 225
	Cooking, Sewing & Spanish Language Fiesta	Per 1-Week Session	[4,7]		$ 630	$ 630
	Cooking, Sewing & Spanish Language Fiesta (Full Day) Camp	Per 1-Week Session	[4,7]		$ 807	$ 807
	Hi-Five - Intro to Cricket	Per 4-Week Session	[4,7]		$ 75	$ 75
	Mandarin Language Camp	Per 1-Week Session	[4,7]		$ 305	$ 305
	Mini-Hawk Camp	Per 1-Week Session	[4,7]	$ 165	$ 165	$ -
	MiniHawk Multi Sport	Per 3 week Session	[4,7]	$ 89	$ 89	$ -

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Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	PhysEd Fun	Per 6-Week Session	[4,7]	$ 49	$ 50	$ 1
	Race Across the Rainforest Camp	Per 4-day session	[4,7]		$ 250	$ 250
	Sewing Camp	Per 1-Week Session	[4,7]		$ 295	$ 295
	Skyhawks 1st Down Tots	Per 5-Week Session	[4,7]	$ 89	$ 89	$ -
	Skyhawks (All Boys & Girls) Soccer Camp	Per 1-Week Session	[4,7]		$ 222	$ 222
	Skyhawks Baseball Skills	Per 1-Week Session	[4,7]	$ 99	$ 99	$ -
	Skyhawks Baseball Tots	Per 5-Week Session	[4,7]	$ 89	$ 89	$ -
	Skyhawks Basketball Skills	Per 5-Week Session	[4,7]	$ 125	$ 125	$ -
	Skyhawks Basketball Tots	Per 5-Week Session	[4,7]	$ 89	$ 89	$ -
	Hi-Five - Lil' Ballers	Per 4-Week Session	[4,7]		$ 75	$ 75
	Skyhawks Elite Basketball Skills	Per 5-Week Session	[4,7]	$ 125	$ 125	$ -
	Skyhawks Flag Football Camp	Per 5-Week Session	[4,7]	$ 220	$ 220	$ -
	Hi-Five Football Spring Camp	Per 1-Week Session	[4,7]		$ 299	$ 299
	Skyhawks Flag Football Skills	Per 5-Week Session	[4,7]	$ 111	$ 111	$ -
	Hi-Five - Lil' Heisman Flag Football	Per 4-Week Session	[4,7]		$ 75	$ 75
	Skyhawks Golf Camp	Per 1-Week Session	[4,7]	$ 220	$ 220	$ -
	Skyhawks MiniHawk Camp	Per 5-Week Session	[4,7]	$ 220	$ 220	$ -
	Skyhawks Multi Sport	Per 1-Week Session	[4,7]	$ 99	$ 99	$ -
	Hi-Five - Sports Summer Camp (Half Day)	Per 4-Week Session	[4,7]		$ 299	$ 299
	Hi-Five - Sports Summer Camp (Full Day)	Per 4-Week Session	[4,7]		$ 455	$ 455
	Hi-Five - Multi-Sport Spring Camp	Per 1-Week Session	[4,7]		$ 299	$ 299
	Hi-Five - Multi-Sport	Per 6-Week Session	[4,7]		$ 108	$ 108
	Hi-Five - Introduction to Sports & Fitness	Per 4-Week Session	[4,7]		$ 75	$ 75
	Skyhawks Soccer Camp	Per 5-Week Session	[4,7]	$ 220	$ 220	$ -
	Hi-Five - Soccer Spring Camp	Per 1-Week Session	[4,7]		$ 299	$ 299
	Skyhawks Soccer Skills (1/2 Day)	Per 5-Week Session	[4,7]	$ 99	$ 99	$ -
	Skyhawks Soccer Skills (Full Day)	Per 5-Week Session	[4,7]	$ 111	$ 111	$ -
	Skyhawks Soccer Tots	Per 5-Week Session	[4,7]	$ 89	$ 89	$ -
	Hi-Five Tot Soccer	Per 4-Week Session	[4,7]		$ 75	$ 75
	Skyhawks Track and Field	Per 5-Week Session	[4,7]	$ 109	$ 109	$ -
	Slimetopia Camps	Per 1-week session	[4,7]		$ 265	$ 265

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Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Steam-Warts: Academy of Wizards, Spells & Potions	Per 1-week session	[4,7]		$ 250	$ 250
	Summer Fun Learning Spanish Camp	Per 4-day session	[4,7]		$ 236	$ 236
	All Sorts of Sports	Per 1-Week Session	[4,7]	$ 225	$ 225	$ -
	Kids Zumba	Per 8-Week Session	[4,7]		$ 100	$ 100
	Adult Zumba	Per 8-Week Session	[4,7]		$ 100	$ 100
	Zumba Gold	Per 8-Week Session	[4,7]		$ 100	$ 100
	Adult Brazilian Jiu-Jitsu	Per 6-Week Session	[4,7]		$ 175	$ 175
	Kids Brazilian Jiu-Jitsu	Per 6-Week Session	[4,7]		$ 175	$ 175
	Little Samurai's Brazilian Jiu-Jitsu	Per 6-Week Session	[4,7]		$ 175	$ 175
	Tiny Tigers Taekwondo	Per 5-Week Session	[4,7]	$ 209	$ 209	$ -
	Tiny Tigers Martial Arts	Per 4-Week Session	[4,7]		$ 209	$ 209
	White Belt Beginner Taekwondo	Per 5-Week Session	[4,7]	$ 209	$ 209	$ -
	White Belt Beginner	Per 4-Week Session	[4,7]		$ 209	$ 209
	World Mixed Martial Arts - Beginner	Per 6-Week Session	[4,7]		$ 60	$ 60
	World Mixed Martial Arts - Advanced	Per 6-Week Session	[4,7]		$ 70	$ 70
	High Intensity Cardio Kickboxing	Per 6-Week Session	[4,7]		$ 60	$ 60
	Arnis/Eskrima Stick & Open Hand Defense	Per 6-Week Session	[4,7]		$ 60	$ 60
	Dragons Kid Safe Martial Arts	Per 4-Week Session	[4,7]		$ 64	$ 64
	Students with Disabilities (WSD) Martial Arts	Per 5-Week Session	[4,7]		$ 72	$ 72
	Cardio Kicks- Kickboxing & Self-Defense Martial Arts	Per 5-Week Session	[4,7]		$ 72	$ 72
	Tiny Tots Martial Arts	Per 5-Week Session	[4,7]		$ 72	$ 72
	Teen & Adult Taekwondo	Per 5-Week Session	[4,7]	$ 209	$ 209	$ -
	Pinnacle Kids Taekwondo	Per 5-Week Session	[4,7]	$ 209	$ 209	$ -
	Foundations of Dog Training 101	Per 7-Week Session	[4,7]	$ 100	$ 103	$ 3
	Foundations of Dog Training 102	Per 7-Week Session	[4,7]	$ 100	$ 103	$ 3

Parks, Recreation & Community Services - Recreation Services Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
3	**Youth & Teens**					
	Teen Events					
	Minimum	Per Person	[7,9]	**$ 5**	**$ 6**	**$ 1**
	Maximum	Per Person	[7]	**$ 22**	**$ 23**	**$ 1**
	Teen Camps					
	Minimum	Per Week	[7]	**$ 80**	**$ 82**	**$ 2**
	Maximum	Per Week	[7]	**$ 100**	**$ 103**	**$ 3**
	Leaders in Training: Jr. Rec Leaders					
	Minimum	Per Week	[7]	**$ 100**	**$ 103**	**$ 3**
	Maximum	Per Week	[7]	**$ 150**	**$ 154**	**$ 4**
	Teen Trip (Transportation)		[8]			
	Minimum	Per Trip		**$ 40**	**$ 41**	**$ 1**
	Maximum	Per Trip		**$ 50**	**$ 51**	**$ 1**
4	**S.A.F.E. (Teen After School Program)**					
	Minimum	Per Membership Per School Year	[7]	**$ 58**	**$ 59**	**$ 1**
	Maximum	Per Membership Per School Year	[7]	**$ 115**	**$ 118**	**$ 3**
	Other:					
	Per Scrapbooking Class	Per Class	[9]	**$ 5**	**$ 6**	**$ 1**
	Per Cooking Class	Per Class	[9]	**$ 5**	**$ 6**	**$ 1**
5	**Mobile Recreation (Roll'n Rec)**	Per Person		**$ -**	**$ -**	**$ -**
6	**Youth Development**					
	Monthly ROC (Recreation on Campus After School)					
	Minimum	Per Regular, Per Month	[7]	**$ 208**	**$ 213**	**$ 5**
	Maximum	Per Regular, Per Month	[7]	**$ 277**	**$ 284**	**$ 7**
	ROC (Recreation on Campus After School)					
	Late Pick-Up					
	Minimum	Per Minute	[7, 9]	**$ 1**	**$ 2**	**$ 1**
	Maximum	Per Half Hour	[7]	**$ 35**	**$ 36**	**$ 1**
	Daily ROC (Recreation on Campus After School)					
	Minimum	Per Day	[7,9]	**$ 17**	**$ 18**	**$ 1**
	Maximum	Per Day	[7]	**$ 27**	**$ 28**	**$ 1**
	Hourly ROC (Recreation on Campus After School)					
	Minimum	Per Hour, Per Month	[7]	**$ 121**	**$ 124**	**$ 3**
	Maximum	Per Hour, Per Month	[7]	**$ 166**	**$ 170**	**$ 4**
	Summer Camp (Full Day) 7am-6pm					
	Minimum	Per Week	[7]	**$ 162**	**$ 166**	**$ 4**
	Maximum	Per Week	[7]	**$ 221**	**$ 227**	**$ 6**
	Summer Camp Extended Care Fees (7am-9am, 3pm-6pm)	Per Week	[7]	**$ 40**	**$ 41**	**$ 1**
	Summer Camp 9am-3pm ONLY	Per Week	[7]	**$ 173**	**$ 178**	**$ 5**
	Summer Camp (Half Day) 9am-12pm or 1pm-4pm*					
	Minimum	Per Week	[7]	**$ 74**	**$ 76**	**$ 2**
	Maximum	Per Week	[7]	**$ 104**	**$ 107**	**$ 3**
7	**Seniors**					
	Senior Health and Wellness					
	Power Walk	Per Class		**$ -**	**$ -**	**$ -**
	Senior Fitness					
	Daily Drop-In	Per Class	[10]	**$ 1**	**$ 1**	**$ -**
	25 - Visit Pass	Per Pass	[7]	**$ 23**	**$ 23**	**$ -**
	Senior Self Defense	Per Class	[10]	**$ 1**	**$ 1**	**$ -**

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Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Senior Tai Chi	Per 4-Week Session	[7]	$ 22	$ 22	$ -
	Senior Chair Yoga	Per Class	[10]	$ 1	$ 1	$ -
	Senior Yoga	Per Class	[10]	$ 1	$ 1	$ -
	Senior Zumba Gold	Per Class	[10]	$ 1	$ 1	$ -
	Senior Indoor Tennis	Per Class	[10]	$ 1	$ 1	$ -
	5 Visit - Ballroom Dance Pass	Per Pass	[7]	$ 23	$ 23	$ -
	Senior Arts & Music		[7]			
	12 Visit Drop-In Activities Card	Per Card		$ 23	$ 23	$ -
	Arts & Craft Class	Per Class		$ -	$ -	$ -
	Arts & Craft Project		[10]			
	Minimum	Per Project		$ 5	$ 5	$ -
	Maximum	Per Project		$ 12	$ 12	$ -
	Painting	Per Class		$ -	$ -	$ -
	Scrapbooking	Per Class		$ -	$ -	$ -
	Needle Art	Per Class		$ -	$ -	$ -
	Jewelry Making	Per Class	[10]	$ 12	$ 12	$ -
	Card Making	Per Class	[10]	$ 2	$ 2	$ -
	Line Dancing	Per Class	[10]	$ 2	$ 2	$ -
	Country Jams	Per Class	[10]	$ 2	$ 2	$ -
	Senior Recreation					
	Tea Social	Per Class		$ -	$ -	$ -
	Bingo	Per Class		$ -	$ -	$ -
	Social Recreation Programs	Per Class		$ -	$ -	$ -
	Table Games	Per Class		$ -	$ -	$ -
	Indoor Pickleball	Per Class	[10]	$ 1	$ 1	$ -
	Ping Pong					
	Daily Drop-in	Per Class	[10]	$ 1	$ 1	$ -
	24- Visit pass	24-Visit Pass	[7]	$ 23	$ 23	$ -
	Senior Special Events (Includes Dances)					
	Minimum	Per Event	[7]	$ 5	$ 5	$ -
	Maximum	Per Event	[7]	$ 23	$ 23	$ -
	Booth for Special Events					
	Non-Profit	Per Event		$ 28	$ 28	$ -
	For-Profit	Per Event		$ 58	$ 58	$ -
	Senior Trips					
	Bus Trips (Resident/Non-Resident)		[7, 8]			
	Resident	Per Person		$ 37	$ 37	$ -
	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	$ 331	$ 8
	Maximum	Per Team	[5]	$ 599	$ 615	$ 16
	Adult/Youth Fast Pitch Leagues					
	Minimum	Per Team	[5]	$ 519	$ 533	$ 14
	Maximum	Per Team	[5]	$ 691	$ 709	$ 18
	Adult/Youth Softball Tournament					
	Minimum	Per Team	[5,6]	$ 288	$ 296	$ 8
	Maximum	Per Team	[5,6]	$ 577	$ 592	$ 15
	Adult Softball Protest Fee	Per Protest		$ 28	$ 29	$ 1
	Adult Flag Football League					
	Minimum	Per Team	[5]	$ 462	$ 474	$ 12
	Maximum	Per Team	[5]	$ 691	$ 709	$ 18
	Adult Kickball League					
	Minimum	Per Team	[5]	$ 317	$ 325	$ 8

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Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Maximum	Per Team	[5]	$ 462	$ 474	$ 12
9	**Youth Sports**					
	Resident					
	Youth Basketball League (Youth Hoops)					
	Minimum	Per Player	[5,7]	$ 86	$ 88	$ 2
	Maximum	Per Player	[5,7]	$ 92	$ 95	$ 3
	Jr. Giants Youth Baseball (Free Program)	Per Player		$ -	$ -	$ -
	49er Prep Flag Football (Free Program)	Per Player		$ -	$ -	$ -
	Youth Sports Camps					
	Minimum	Per Player	[7]	$ 86	$ 88	$ 2
	Maximum	Per Player	[7]	$ 92	$ 95	$ 3
	Flag Football League					
	Minimum	Per Player	[5,7]	$ 86	$ 88	$ 2
	Maximum	Per Player	[5,7]	$ 104	$ 107	$ 3
	Friday Night Lights Flag Football League					
	Minimum	Per Player	[5,7]	$ 150	$ 154	$ 4
	Maximum	Per Player	[5,7]	$ 175	$ 180	$ 5
	Tracy Tots Baby Gym	Per 4-week session	[7]		$ 25	$ 25
10	**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	$ 5	$ -
	Maximum	Per Person		$ 25	$ 26	$ 1
	General Recreation Swim					
	Individual Entrance Fee					
	Minimum	Per Person		$ 2	$ 2	$ -
	Maximum	Per Person		$ 5	$ 5	$ -
	10 Visit Pass					
	Minimum	Per Pass		$ 26	$ 27	$ 1
	Maximum	Per Pass		$ 47	$ 48	$ 1
	Senior (50+) 10 Visit Pass					
	Minimum	Per Pass		$ 16	$ 16	$ -
	Maximum	Per Pass		$ 47	$ 48	$ 1
	Swim Lessons					
	Parent Tot					
	Minimum	Per Person	[7]	$ 26	$ 27	$ 1
	Maximum	Per 2 Week Session	[7]	$ 94	$ 96	$ 2
	Swim Skills (Levels 1-4)					
	Minimum	Per Person	[7]	$ 27	$ 28	$ 1
	Maximum	Per Person, Per 2 Week Session	[7]	$ 69	$ 71	$ 2
	Advanced Swim					
	Minimum	Per Person	[7]	$ 27	$ 28	$ 1
	Maximum	Per Person, Per 2 Week Session	[7]	$ 69	$ 71	$ 2
	Water Aerobics					
	Drop-in					
	Minimum	Per Person	[9]	$ 4	$ 5	$ 1
	Maximum	Per Person	[9]	$ 8	$ 9	$ 1
	10 Visit Pass					
	Minimum	Per Pass	[7]	$ 37	$ 38	$ 1
	Maximum	Per Pass	[7]	$ 79	$ 81	$ 2
	Senior Water Exercise - 10 Visit Pass					
	Minimum	Per Pass		$ 27	$ 28	$ 1
	Maximum	Per Pass		$ -	$ 40	$ 40
	Lap Swimming					
	Individual Entrance Fee					

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Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Minimum	Per Person		$ 3	$ 3	$ -
	Maximum	Per Person		$ 5	$ 5	$ -
	10 Visit Pass					
	Minimum	Per Pass		$ 26	$ 27	$ 1
	Maximum	Per Pass		$ 47	$ 48	$ 1
	Other Classes/Programs					
	Introduction to Lifesaving					
	Minimum	2 Week Session	[7]	$ 58	$ 59	$ 2
	Maximum	2 Week Session	[7]	$ 63	$ 65	$ 2
	Swim Camp					
	Minimum	2 Week Session	[7]	$ 79	$ 81	$ 2
	Maximum	2 Week Session	[7]	$ 105	$ 108	$ 3
	Diving					
	Minimum	2 Week Session	[7]	$ 58	$ 59	$ 1
	Maximum	2 Week Session	[7]	$ 63	$ 65	$ 2
	Basic Water Polo					
	Minimum	2 Week Session	[7]	$ 58	$ 59	$ 1
	Maximum	2 Week Session	[7]	$ 63	$ 65	$ 2
	Water Polo Fundamental Clinics					
	Minimum	1 Week Session	[7]	$ -	$ 50	$ 50
	Maximum	1 Week Session	[7]	$ -	$ 55	$ 55
	Life Guard Training					
	Minimum	Per Person	[7]	$ 241	$ 247	$ 6
	Maximum	Per Person	[7]	$ -	$ 272	$ 272
	Lifeguard Recertification					
	Minimum	Per Person	[7]	$ -	$ 90	$ 90
	Maximum	Per Person	[7]	$ -	$ 99	$ 99
	Lifeguard Instructor Training					
	Minimum	Per Person	[7]	$ -	$ 200	$ 200
	Maximum	Per Person	[7]	$ -	$ 220	$ 220
	Lifeguard Instructor Recertification Training					
	Minimum	Per Person	[7]	$ -	$ 125	$ 125
	Maximum	Per Person	[7]	$ -	$ 138	$ 138
	Private Swim Lesson (Saturday Only)					
	Minimum	Per Day	[7, 9]	$ 12	$ 13	$ 1
	Maximum	Per Day	[7, 9]	$ 14	$ 15	$ 1
11	**Special Events**					
	Event Ticket					
	Minimum	Per Person		$ 19	$ 20	$ 1
	Maximum	Per Person		$ 42	$ 43	$ 1
	Event Booth Fee					
	Minimum	Per Booth		$ 26	$ 27	$ 1
	Maximum	Per Booth		$ 157	$ 161	$ 4
	Contest Entry Fee					
	Minimum	Per Entry		$ 26	$ 27	$ 1
	Maximum	Per Entry		$ 42	$ 43	$ 1
12	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	$ 229	$ 6
	After Business Hours	Per Hour		$ 248	$ 255	$ 7
	Part-Time					
	During Business Hours	Per Hour		$ 28	$ 29	$ 1
	After Business Hours	Per Hour		$ 32	$ 33	$ 1

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Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference

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
[9] If CPI increases is less than $1, fee will be increased by $1
[10] If fee is $1 or more, non-resident fee pay an additional $1

Parks, Recreation & Community Services - Community Facilities Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
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**	**$ 108**	**$ 3**
	Verification of non-profit status	Per Verification	[5]	**$ 15**	**$ 15**	**$ -**
	Private/Commercial					
	Special Event Permit Application & Review Fee (to be charged for every permitted reservation requiring "further review", per published list)	Per Application		**$ 210**	**$ 215**	**$ 5**
	Facility Rental Application Fee - Applied to all rental permit requests (Excluding Special Events)	Per Application		**$ 40**	**$ 41**	**$ 1**
	Improper Checkout - Renters violating permit conditions(e.g. staying past reservation time, unauthorized items, etc.)					
	Minimum	Per Occurrence		**$ 74**	**$ 76**	**$ 2**
	Maximum	Per Occurrence		**$ 200**	**$ 205**	**$ 5**
2	**Community Center Rentals**					
	Main Hall (5,300 Sq Ft)					
	Weekday Only					
	Non-Profit	Per Hour (4 hour Min.)		**$ 46**	**$ 47**	**$ 1**
	Private Classification	Per Hour (4 hour Min.)		**$ 79**	**$ 81**	**$ 2**
	Commercial	Per Hour (4 hour Min.)		**$ 112**	**$ 115**	**$ 3**
	Conference Room A or B (250 Sq Ft)					
	Weekday Only					
	Non-Profit	Per Hour (4 hour Min.)	[5]	**$ 9**	**$ 10**	**$ 1**
	Private Classification	Per Hour (4 hour Min.)	[5]	**$ 15**	**$ 16**	**$ 1**
	Commercial	Per Hour (4 hour Min.)		**$ 20**	**$ 21**	**$ 1**
	Entire Facility (6,200 Sq Ft)					
	Weekday					
	Non-Profit	Per Hour (4 hour Min.)		**$ 51**	**$ 53**	**$ 2**
	Private Classification	Per Hour (4 hour Min.)		**$ 91**	**$ 94**	**$ 3**
	Commercial	Per Hour (4 hour Min.)		**$ 129**	**$ 132**	**$ 3**
	Weekend					
	Non-Profit	Per Hour (4 hour Min.)		**$ 77**	**$ 79**	**$ 2**
	Private Classification	Per Hour (4 hour Min.)		**$ 131**	**$ 135**	**$ 3**
	Commercial	Per Hour (4 hour Min.)		**$ 186**	**$ 191**	**$ 5**
	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**	**$ 55**	**$ 1**
	Dumpster Fee	Actual Cost		**Actual Cost**	**Actual Cost**	**-**
	Deposit		[1]			
	Main Hall	Per Rental		**$ 544**	**$ 559**	**$ 15**
	Conference Room A or B	Per Rental		**$ 272**	**$ 279**	**$ 7**
	Entire Facility	Per Rental		**$ 544**	**$ 559**	**$ 15**
	Alcohol Deposit	Per Rental		**$ 544**	**$ 559**	**$ 15**
3	**Tracy Sports Complex Meeting Room Rental**					
	TSC Meeting Room (700 Sq Ft)					
	Non-Profit	Per Hour	[5]	**$ 19**	**$ 20**	**$ 1**

Parks, Recreation & Community Services - Community Facilities Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Private Classification	Per Hour		$ 34	$ 35	$ 1
	Commercial	Per Hour		$ 47	$ 48	$ 1
	Deposit		[1]			
	Meeting Room	Per Rental		$ 272	$ 279	$ 7
	Alcohol Deposit	Per Rental		$ 544	$ 559	$ 15
4	**Tracy Transit Station**					
	Room 103 or 104 (590 Sq Ft)		[3]			
	Weekday					
	Non-Profit	Per Hour (2 hour Min.)		$ 23	$ 24	$ 1
	Private Classification	Per Hour (2 hour Min.)		$ 41	$ 42	$ 1
	Commercial	Per Hour (2 hour Min.)		$ 58	$ 59	$ 1
	Weekend					
	Non-Profit	Per Hour (2 hour Min.)		$ 35	$ 36	$ 1
	Private Classification	Per Hour (2 hour Min.)		$ 61	$ 62	$ 1
	Commercial	Per Hour (2 hour Min.)		$ 84	$ 86	$ 2
	Room 103 and 104 (1,180 Sq Ft)		[3]			
	Weekday					
	Non-Profit	Per Hour (2 hour Min.)		$ 45	$ 48	$ 3
	Private Classification	Per Hour (2 hour Min.)		$ 79	$ 84	$ 5
	Commercial	Per Hour (2 hour Min.)		$ 116	$ 119	$ 3
	Weekend					
	Non-Profit	Per Hour (2 hour Min.)		$ 68	$ 72	$ 4
	Private Classification	Per Hour (2 hour Min.)		$ 123	$ 126	$ 3
	Commercial	Per Hour (2 hour Min.)		$ 174	$ 179	$ 5
	Room 105 (913 Sq Ft)					
	Weekday					
	Non-Profit	Per Hour (2 hour Min.)		$ 36	$ 37	$ 1
	Private Classification	Per Hour (2 hour Min.)		$ 63	$ 65	$ 2
	Commercial	Per Hour (2 hour Min.)		$ 90	$ 93	$ 3
	Weekend					
	Non-Profit	Per Hour (2 hour Min.)		$ 55	$ 56	$ 1
	Private Classification	Per Hour (2 hour Min.)		$ 95	$ 98	$ 3
	Commercial	Per Hour (2 hour Min.)		$ 135	$ 139	$ 4
	Entire Facility (4,044 Sq Ft)					
	Weekday					
	Non-Profit	Per Hour (4 hour Min.)		$ 106	$ 109	$ 3
	Private Classification	Per Hour (4 hour Min.)		$ 186	$ 191	$ 5
	Commercial	Per Hour (4 hour Min.)		$ 264	$ 271	$ 7
	Weekend					
	Non-Profit	Per Hour (4 hour Min.)		$ 158	$ 163	$ 5

Parks, Recreation & Community Services - Community Facilities Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Private Classification	Per Hour (4 hour Min.)		$ 279	$ 286	$ 7
	Commercial	Per Hour (4 hour Min.)		$ 398	$ 408	$ 10
	Deposit		[1]			
	All Conference Rooms	Per Rental		$ 272	$ 279	$ 7
	Entire Facility	Per Rental		$ 544	$ 559	$ 15
	Alcohol Deposit	Per Rental		$ 544	$ 559	$ 15
5	**Tracy Civic Center Rental**					
	Council Chambers (3,500 Sq Ft)		[3]			
	Weekday					
	Non-Profit	Per Hour (2 hour Min.)		$ 26	$ 42	$ 16
	Private Classification	Per Hour (2 hour Min.)		$ 60	$ 62	$ 2
	Commercial	Per Hour (2 hour Min.)		$ 103	$ 106	$ 3
	Weekend					
	Non-Profit	Per Hour (2 hour Min.)		$ 45	$ 62	$ 17
	Private Classification	Per Hour (2 hour Min.)		$ 108	$ 111	$ 3
	Commercial	Per Hour (2 hour Min.)		$ 155	$ 159	$ 4
	Conference Room #109 (500 Sq Ft)					
	Weekday					
	Non-Profit	Per Hour (2 hour Min.)	[5]	$ 19	$ 20	$ 1
	Private Classification	Per Hour (2 hour Min.)		$ 34	$ 35	$ 1
	Commercial	Per Hour (2 hour Min.)		$ 49	$ 51	$ 2
	Weekend					
	Non-Profit	Per Hour (2 hour Min.)		$ 29	$ 30	$ 1
	Private Classification	Per Hour (2 hour Min.)		$ 50	$ 52	$ 2
	Commercial	Per Hour (2 hour Min.)		$ 72	$ 74	$ 2
	Conference Room #203 (825 Sq Ft)					
	Weekday					
	Non-Profit	Per Hour (2 hour Min.)		$ 33	$ 34	$ 1
	Private Classification	Per Hour (2 hour Min.)		$ 57	$ 58	$ 1
	Commercial	Per Hour (2 hour Min.)		$ 81	$ 83	$ 2
	Weekend					
	Non-Profit	Per Hour (2 hour Min.)		$ 49	$ 51	$ 2
	Private Classification	Per Hour (2 hour Min.)		$ 85	$ 87	$ 2
	Commercial	Per Hour (2 hour Min.)		$ 122	$ 125	$ 3
	Lobby					
	Weekday					
	Non-Profit	Per Hour (4 hour Min.)		$ 51	$ 53	$ 2
	Private Classification	Per Hour (4 hour Min.)		$ 90	$ 93	$ 3
	Commercial	Per Hour (4 hour Min.)		$ 129	$ 132	$ 3

Parks, Recreation & Community Services - Community Facilities Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Weekend					
	Non-Profit	Per Hour (4 hour Min.)		$ 52	$ 54	$ 2
	Private Classification	Per Hour (4 hour Min.)		$ 93	$ 96	$ 3
	Commercial	Per Hour (4 hour Min.)		$ 193	$ 198	$ 5
	Deposit		[1]			
	All Conference Rooms	Per Rental		$ 272	$ 279	$ 7
	Lobby or Entire Facility	Per Rental		$ 544	$ 559	$ 15
	Alcohol Deposit	Per Rental		$ 544	$ 559	$ 15
6	**Park and Picnic Areas**					
	Park/Picnic - 1 to 50 People					
	Non-Profit	Per Hour (2 hour Min.)	[5]	$ 17	$ 18	$ 1
	Private Classification	Per Hour (2 hour Min.)		$ 29	$ 30	$ 1
	Commercial	Per Hour (2 hour Min.)		$ 43	$ 44	$ 1
	Park/Picnic - 51 to 100 People					
	Non-Profit	Per Hour (2 hour Min.)		$ 24	$ 25	$ 1
	Private Classification	Per Hour (2 hour Min.)		$ 43	$ 44	$ 1
	Commercial	Per Hour (2 hour Min.)		$ 62	$ 64	$ 2
	Park/Picnic - 101+ People					
	Non-Profit	Per Hour (2 hour Min.)		$ 33	$ 34	$ 1
	Private Classification	Per Hour (2 hour Min.)		$ 57	$ 58	$ 1
	Commercial	Per Hour (2 hour Min.)		$ 81	$ 83	$ 2
	Inflatable Structures Administrative Fee	Per Day, Per Structure	[2]	$ 58	$ 59	$ 1
	Non-Profit Max Daily Rental Rate	Per Rental		$ 129	$ 132	$ 3
	Deposits					
	Less than 50, Traditional Activity	Per Rental		$ -	$ -	$ -
	50-100; or Less than 5 Non-traditional	Per Rental		$ 130	$ 133	$ 3
	101-200 attendees	Per Rental		$ 258	$ 265	$ 7
	201-300 attendees	Per Rental		$ 387	$ 397	$ 10
	301 and above attendees	Per Rental		$ 645	$ 662	$ 17
7	**Parking Lot Rental (Locations and Availability at City Discretion)**					
	Base Fee	10 Hour Max.		$ 127	$ 130	$ 3
	Plus Use Fee					
	Non-Profit	Per Parking Lot Space	[5]	$ 2	$ 3	$ 1
	Private Classification	Per Parking Lot Space	[5]	$ 5	$ 6	$ 1
	Commercial	Per Parking Lot Space	[5]	$ 6	$ 7	$ 1
8	**Mobile Stage Rental**					
	"A" Set Up (36' x 14')					
	Non-Profit	Per Rental		$ 403	$ 413	$ 10
	Deposits					
	Non-Profit	Per Rental		$ 544	$ 559	$ 15
9	**Tennis Court Rental**					
	Non-Profit Youth					

Parks, Recreation & Community Services - Community Facilities Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Practice/Games	Per Hour, Per Court	[5]	$ 6	$ 7	$ 1
	League	Per Hour, Per Court	[5]	$ 6	$ 7	$ 1
	Tournament	Per Hour, Per Court	[5]	$ 13	$ 14	$ 1
	Non-Profit Adult					
	Practice/Games	Per Hour, Per Court	[5]	$ 6	$ 7	$ 1
	League	Per Hour, Per Court	[5]	$ 6	$ 7	$ 1
	Tournament	Per Hour, Per Court	[5]	$ 15	$ 16	$ 1
	Private					
	Practice/Games	Per Hour, Per Court	[5]	$ 8	$ 9	$ 1
	League	Per Hour, Per Court	[5]	$ 8	$ 9	$ 1
	Tournament	Per Hour, Per Court	[5]	$ 19	$ 20	$ 1
	Commercial					
	Practice/Games	Per Hour, Per Court	[5]	$ 13	$ 14	$ 1
	League	Per Hour, Per Court	[5]	$ 13	$ 14	$ 1
	Tournament	Per Hour, Per Court	[5]	$ 19	$ 26	$ 7
	Tennis Court Rental Deposit	Per Hour, Per Court		$ 64	$ 66	$ 2
10	**Tennis Court Rental Lights**					
	Non-Profit Youth					
	Practice/Games	Per Hour, Per Court	[5]	$ 6	$ 7	$ 1
	League	Per Hour, Per Court	[5]	$ 8	$ 9	$ 1
	Tournament	Per Hour, Per Court	[5]	$ 10	$ 11	$ 1
	Non-Profit Adult					
	Practice/Games	Per Hour, Per Court	[5]	$ 6	$ 7	$ 1
	League	Per Hour, Per Court	[5]	$ 13	$ 14	$ 1
	Tournament	Per Hour, Per Court	[5]	$ 15	$ 16	$ 1
	Private/Commercial					
	Practice/Games	Per Hour, Per Court	[5]	$ 13	$ 14	$ 1
	League	Per Hour, Per Court	[5]	$ 15	$ 16	$ 1
	Tournament	Per Hour, Per Court	[5]	$ 17	$ 18	$ 1
11	**Lolly Hansen Senior Center Rental**					
	Main Hall (3120 Sq Ft)					
	Weekday					
	Non-Profit	Per Hour (4 hour Min.)		$ 110	$ 113	$ 3
	Private Classification	Per Hour (4 hour Min.)		$ 170	$ 174	$ 4
	Commercial	Per Hour (4 hour Min.)		$ 229	$ 235	$ 6
	Weekend					

Parks, Recreation & Community Services - Community Facilities Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Non-Profit	Per Hour (4 hour Min.)		$ 150	$ 154	$ 4
	Private Classification	Per Hour (4 hour Min.)		$ 240	$ 246	$ 6
	Commercial	Per Hour (4 hour Min.)		$ 329	$ 338	$ 9
	Outdoor Area (1948 Sq Ft) Only Included with Main Hall or Entire Facility Rental					
	Weekday					
	Non-Profit	Per Hour (4 hour Min.)		$ -	$ 71	$ 71
	Private Classification	Per Hour (4 hour Min.)		$ -	$ 92	$ 92
	Commercial	Per Hour (4 hour Min.)		$ -	$ 120	$ 120
	Weekend					
	Non-Profit	Per Hour (4 hour Min.)		$ -	$ 107	$ 107
	Private Classification	Per Hour (4 hour Min.)		$ -	$ 139	$ 139
	Commercial	Per Hour (4 hour Min.)		$ -	$ 181	$ 181
	Classroom 1 (499 Sq Ft)					
	Weekday Only					
	Non-Profit	Per Hour (4 hour Min.)		$ 50	$ 51	$ 1
	Private Classification	Per Hour (4 hour Min.)		$ 64	$ 66	$ 2
	Commercial	Per Hour (4 hour Min.)		$ 79	$ 81	$ 2
	Classroom 2 (739 Sq Ft)					
	Weekday Only					
	Non-Profit	Per Hour (4 hour Min.)		$ 59	$ 61	$ 2
	Private Classification	Per Hour (4 hour Min.)		$ 80	$ 82	$ 2
	Commercial	Per Hour (4 hour Min.)		$ 102	$ 105	$ 3
	Classroom 1 & 2 Combo (1,238 Sq Ft)					
	Weekday					
	Non-Profit	Per Hour (4 hour Min.)		$ 76	$ 112	$ 36
	Private Classification	Per Hour (4 hour Min.)		$ 110	$ 148	$ 38
	Commercial	Per Hour (4 hour Min.)		$ 147	$ 186	$ 39
	Weekend					
	Non-Profit	Per Hour (4 hour Min.)		$ 99	$ 143	$ 44
	Private Classification	Per Hour (4 hour Min.)		$ 154	$ 189	$ 35
	Commercial	Per Hour (4 hour Min.)		$ 205	$ 241	$ 36
	Entire Facility (5819 Sq Ft)					
	Weekday					
	Non-Profit	Per Hour (4 hour Min.)		$ 163	$ 167	$ 4
	Private Classification	Per Hour (4 hour Min.)		$ 263	$ 270	$ 7
	Commercial	Per Hour (4 hour Min.)		$ 360	$ 369	$ 9
	Weekend					

Parks, Recreation & Community Services - Community Facilities Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Non-Profit	Per Hour (4 hour Min.)		$ 228	$ 234	$ 6
	Private Classification	Per Hour (4 hour Min.)		$ 379	$ 389	$ 10
	Commercial	Per Hour (4 hour Min.)		$ 527	$ 541	$ 14
	Deposit		[1]			
	Main Hall	Per Rental		$ 544	$ 559	$ 15
	All Classrooms	Per Rental		$ 272	$ 279	$ 7
	Entire Facility	Per Rental		$ 544	$ 559	$ 15
	Alcohol Deposit	Per Rental		$ 544	$ 559	$ 15
	Additional Fees					
	Extra Dumpster Disposal Fee (Required for Rentals as Deemed Necessary by Staff)					
	Processing Fee	Per Rental, Per Dumpster		$ 53	$ 55	$ 1
	Dumpster Fee	Actual Cost		Actual Cost	Actual Cost	-
12	**Sports Facilities (Ritter Family Ballpark, TSC, Plasencia Fields, Tiago, Galli, Clyde Bland, Veterans & Legacy Fields)**					
	Unauthorized Permit Use					
	Minimum	Per Occurrence		$ 5	$ 5	$ -
	Maximum	Per Occurrence		$ 15	$ 15	$ -
	No Show Occurance					
	Minimum	Per Occurrence		$ 5	$ 5	$ -
	Maximum	Per Occurrence		$ 15	$ 15	$ -
	Standard Field (Ritter Family Ballpark, Tiago, Clyde, Galli, Veteran Fields, Plasencia Fields)					
	League/Individual					
	Non-Profit Youth Classification	Per Hour, Per Field		$ 10	$ 10	$ -
	Non-Profit Adult Classification	Per Hour, Per Field		$ 15	$ 15	$ -
	Private Classification	Per Hour, Per Field		$ 28	$ 28	$ -
	Commercial Classification	Per Hour, Per Field		$ 39	$ 39	$ -
	Premium Field (TSC, Legacy Fields)					
	League/Individual					
	Non-Profit Youth Classification	Per Hour, Per Field		$ 12	$ 12	$ -
	Non-Profit Adult Classification	Per Hour, Per Field		$ 19	$ 19	$ -
	Private Classification	Per Hour, Per Field		$ 28	$ 34	$ 6
	Commercial Classification	Per Hour, Per Field		$ 39	$ 46	$ 7
	Lights Fee - League/Individual					
	Non-Profit Youth Classification	Per Hour, Per Field		$ 10	$ 10	$ -
	Non-Profit Adult Classification	Per Hour, Per Field		$ 13	$ 13	$ -
	Private Classification	Per Hour, Per Field		$ 17	$ 17	$ -
	Commercial Classification	Per Hour, Per Field		$ 24	$ 24	$ -
	Deposit for Baseball/Softball Bases	Per Rental		$ 288	$ 288	$ -
	Storage Container License	Per Sq. Ft. of Ground Space		$ 0.51	$ 0.51	$ -
	Daily Fee - Tournaments - Standard Fields					
	Non-Profit Youth Classification	Per Hour, Per Field		$ 81	$ 81	$ -

Parks, Recreation & Community Services - Community Facilities Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Non-Profit Adult Classification	Per Hour, Per Field		$ 131	$ 131	$ -
	Private Classification	Per Hour, Per Field		$ 163	$ 163	$ -
	Commercial Private Classification	Per Hour, Per Field		$ 195	$ 195	$ -
	Daily Fee - Tournaments - Premium Fields					
	Non-Profit Youth Classification	Per Hour, Per Field		$ 109	$ 109	$ -
	Non-Profit Adult Classification	Per Hour, Per Field		$ 145	$ 145	$ -
	Private Classification	Per Hour, Per Field		$ 281	$ 281	$ -
	Commercial Private Classification	Per Hour, Per Field		$ 387	$ 387	$ -
	Lights Fee - Tournaments					
	Non-Profit Youth Classification	Per Hour, Per Field		$ 10	$ 10	$ -
	Non-Profit Adult Classification	Per Hour, Per Field		$ 13	$ 13	$ -
	Private Classification	Per Hour, Per Field		$ 13	$ 18	$ 5
	Commercial Classification	Per Hour, Per Field		$ 13	$ 25	$ 12
	Field Damage Deposit	Per Field		$ 121	$ 121	$ -
	Gate Fee - Tournaments					
	All Classifications	Per Tournament		$ 125	$ 125	$ -
	On-site Staffing Fee for Sports Fields Use					
	All Classifications	Per Hour, Per Complex		$ 33	$ 33	$ -
	Softball Field Preparations					
	A Prep - Light Watering	Per Preparation		$ 13	$ 13	$ -
	B Prep - Light Watering, Minor Dragging	Per Preparation		$ 19	$ 19	$ -
	C Prep - Full Field Preparation	Per Preparation		$ 50	$ 50	$ -
	Outfield Fencing Rental	Per Field		$ 143	$ 143	$ -
	Concession Stands					
	Non-Profit	Per Occurrence		$ 5	$ 5	$ -
	Private	Per Occurrence		$ 8	$ 8	$ -
	Commercial Private Classification	Per Occurrence		$ 12	$ 12	$ -
	Monthly Rental Rate	Per Month		$ 152	$ 152	$ -
	Mobile Food Truck	Per Occurrence		$ 5	$ 5	$ -

Parks, Recreation & Community Services - Community Facilities Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
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**	**$ 86**	**$ 2**
	Up to 50 People, Includes 1 Senior Lifeguard & 1 Lifeguard					
	Non-Profit Classification	Per Hour (Min. 2 Hours)		**$ 102**	**$ 104**	**$ 2**
	Private Classification	Per Hour (Min. 2 Hours)		**$ 113**	**$ 116**	**$ 3**
	Commercial Classification	Per Hour (Min. 2 Hours)		**$ 125**	**$ 128**	**$ 3**
	Up to 75 People, Includes 1 Senior Lifeguard & 2 Lifeguards					
	Non-Profit Classification	Per Hour (Min. 2 Hours)		**$ 120**	**$ 123**	**$ 3**
	Private Classification	Per Hour (Min. 2 Hours)		**$ 131**	**$ 135**	**$ 4**
	Commercial Classification	Per Hour (Min. 2 Hours)		**$ 143**	**$ 146**	**$ 3**
	Up to 100 People, Includes 1 Senior Lifeguard & 3 Lifeguards					
	Non-Profit Classification	Per Hour (Min. 2 Hours)		**$ 137**	**$ 141**	**$ 4**
	Private Classification	Per Hour (Min. 2 Hours)		**$ 149**	**$ 153**	**$ 4**
	Commercial Classification	Per Hour (Min. 2 Hours)		**$ 162**	**$ 166**	**$ 4**
	Deposits					
	All Classifications, All Group Sizes	Per Rental		**$ 179**	**$ 184**	**$ 5**
	Additional Joe Wilson Pool Rental Fees					
	Extra lifeguard (as deemed necessary by staff, based on event)	Per Hour, Per Lifeguard		**$ 18**	**$ 18**	**$ -**
	Recreational Swim Pavilion Rental (1089 sqft)	Per Hour		$ -	**$ 30**	**$ 30**
14	**Airport Rental**					
	New Jersusalem Rental Area	Per Day		**$ 1,404**	**$ 1,440**	**$ 36**
	Tracy Municipal Airport Rental Area	Per Day		**$ 1,404**	**$ 1,440**	**$ 36**
15	**City Owned Airport Hangar Rental Rates**					
	F-Series	Per Month		**$ 263**	**$ 281**	**$ 18**
	3-Series	Per Month		**$ 319**	**$ 342**	**$ 22**
	4-Series	Per Month		**$ 319**	**$ 342**	**$ 22**
	G-Series	Per Month		**$ 331**	**$ 354**	**$ 23**
	B-Series	Per Month		**$ 441**	**$ 471**	**$ 30**
16	**Parades on Downtown Streets**		[4]			
	Short Parade Route					
	Non-Profit Classification	Per Parade		**$ 1,193**	**$ 1,224**	**$ 31**
	Standard Parade Route					

Parks, Recreation & Community Services - Community Facilities Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Non-Profit Classification	Per Parade		$ 1,492	$ 1,530	$ 39
	Long Parade Route					
	Non-Profit Classification	Per Parade		$ 1,909	$ 1,959	$ 50
17	**Co-Sponsorship Events**					
	Indoor City Facility Rental	Per Event		$ -	$ -	$ -
	Outdoor City Facility Rental	Per Event		$ -	$ -	$ -
	Street Closures (i.e barricades, signage, delineator, etc.)	Per Event		$ -	$ -	$ -
	City Equipment & Material (i.e. mobile stage, etc)	Per Event		$ -	$ -	$ -
	City Staffing	Per Event		$ -	$ -	$ -
	Encroachment Permit	Per Event		$ -	$ -	$ -
18	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	$ 229	$ 6
	After Business Hours	Per hour		$ 248	$ 255	$ 7
	Part-Time					
	During Business Hours	Per hour		$ 28	$ 29	$ 1
	After Business Hours	Per hour		$ 32	$ 33	$ 1

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.

[5] If the CPI increase is $1 or less, a $1 increase will be applied to that fee

Parks, Recreation & Community Services -
Cultural Arts (Grand Theatre) Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
1	**Deposits**					
	EK Theatre	Per Use	[1]	$ 550	$ 550	$ -
	Studio Theatre	Per Use	[2]	$ 275	$ 275	$ -
	Dance Studio	Per Use		$ 110	$ 110	$ -
	Visual Arts I & II	Per Use		$ 110	$ 110	$ -
	Children's Studio	Per Use		$ 110	$ 110	$ -
	Ceramic & Fused Glass Studio	Per Use		$ 110	$ 110	$ -
	Music Studio I	Per Use		$ 100	$ 100	$ -
	Music Studio II	Per Use		$ 75	$ 75	$ -
	Music Studio III	Per Use		$ 50	$ 50	$ -
	Music Studio IV	Per Use		$ 100	$ 100	$ -
	Grand Galleries	Per Use		$ 150	$ 150	$ -
	Lobby Areas	Per Use		$ 250	$ 250	$ -
	Loggia	Per Use		$ 50	$ 50	$ -
2	**EK Theatre Rentals**					
	Non-Profit			**Minimum 10% of ticket sales, or fees listed below, whichever is greater.**	**Minimum 10% of ticket sales, or fees listed below, whichever is greater.**	-
	Prime Time Rental: Rehearsal or Performance (Non-profit)					
	First 8 Hours	First 8 Hours	[3]	$ 631	$ 647	$ 16
	Each Additional Hour	Each Add'l Hr		$ 110	$ 113	$ 3
	Non-Prime Time Rental: Rehearsal or Performance (Non-Profit)					
	First 8 Hours	First 8 Hours	[3]	$ 315	$ 323	$ 8
	Each Additional Hour	Each Add'l Hr		$ 110	$ 113	$ 3
	Prime Time Co-Present or Resident Company: Performance or Rehearsal (Non-Profit)					
	Per 8 Hours	Per 8 Hours	[3]	$ 506	$ 519	$ 13
	Non-Prime Time Co-Present or Rental Resident Company: Rental Rehearsal or Performance (Non-Profit)					
	Per 8 Hours	Per 8 Hours	[3]	$ 253	$ 260	$ 7
	Commercial			**Minimum 15% of ticket sales, or fees listed below, whichever is greater.**	**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	$ 1,941	$ 49
	Each Additional Hour	Each Add'l Hr		$ 330	$ 339	$ 9
	Prime Time Rental: Rehearsal (Commercial)					
	First 8 Hours	First 8 Hours	[3]	$ 1,892	$ 1,941	$ 49
	Each Additional Hour	Each Add'l Hr		$ 330	$ 339	$ 9
	Non-Prime Time Rental: Rehearsal or Performance (Commercial)					
	First 8 Hours	First 8 Hours	[3]	$ 824	$ 845	$ 21
	Each Additional Hour	Each Add'l Hr		$ 330	$ 339	$ 9
3	**Studio Theatre Rentals**					

Parks, Recreation & Community Services -
Cultural Arts (Grand Theatre) Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Non-Profit			**Minimum 10% of ticket sales, or fees listed below, whichever is greater.**	**Minimum 10% of ticket sales, or fees listed below, whichever is greater.**	-
	Prime Time Rental: Rehearsal or Performance					
	First 5 Hours	First 5 Hours	[3]	**$ 121**	**$ 124**	**$ 3**
	Each Additional Hour	Each Add'l Hr		**$ 66**	**$ 68**	**$ 2**
	Non-Prime Time Rental: Rehearsal or Performance					
	First 5 Hours	First 5 Hours	[3]	**$ 88**	**$ 90**	**$ 2**
	Each Additional Hour	Each Add'l Hr		**$ 66**	**$ 68**	**$ 2**
	Prime Time Co-Present or Resident Company: Rehearsal or Performance					
	Per 5 Hours	Per 5 Hours	[3]	**$ 97**	**$ 100**	**$ 3**
	Non-Prime Time Co-Present or Resident Company: Rehearsal or Performance					
	Per 5 Hours	Per 5 Hours	[3]	**$ 70**	**$ 72**	**$ 2**
	Commercial			**Minimum 15% of ticket sales, or fees listed below, whichever is greater.**	**Minimum 15% of ticket sales, or fees listed below, whichever is greater.**	-
	Prime Time Rental: Rehearsal or Performance					
	First 5 Hours	First 5 Hours	[3]	**$ 330**	**$ 372**	**$ 42**
	Each Additional Hour	Each Add'l Hr		**$ 198**	**$ 203**	**$ 5**
	Non-Prime Time Rental: Rehearsal or Performance					
	First 5 Hours	First 5 Hours	[3]	**$ 363**	**$ 372**	**$ 9**
	Each Additional Hour	Each Add'l Hr		**$ 198**	**$ 203**	**$ 5**
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**	**$ 113**	**$ 3**
	Each Additional Hour	Each Add'l Hr		**$ 55**	**$ 56**	**$ 1**
	Commercial					
	First 2 Hours	First 2 Hours		**$ 220**	**$ 226**	**$ 6**
	Each Additional Hour	Each Add'l Hr		**$ 110**	**$ 113**	**$ 3**
5	**Studio Theatre**					
	Private & Group Instruction *Group Recital, Educational Events* *Meetings and Facility Event Use* *Rehearsal (Non-event Use)* *>Does Not Include Furniture Set or A/V Amenities* *>Does Not Include Tech Support (See Labor Fees)* *>Non-Educational/Performance Use (See Theatre Rental Options)*					
	Non-Profit					
	First 2 Hours	First 2 Hours		**$ 110**	**$ 113**	**$ 3**
	Each Additional Hour	Each Add'l Hr		**$ 55**	**$ 56**	**$ 1**
	Commercial					
	First 2 Hours	First 2 Hours		**$ 220**	**$ 226**	**$ 6**

Parks, Recreation & Community Services -
Cultural Arts (Grand Theatre) Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Each Additional Hour	Each Add'l Hr		$ 110	$ 113	$ 3
6	**Visual Arts I & II / Children's Studio**					
	Private & Group Instruction *Group Recital, Educational Events* *Visual Arts Labs* *Meetings and Facility Event Use* *>Includes Basic Furniture Set & Studio Amenities* *>Does not include use of Printmaking Lab in VAII*					
	Non-Profit					
	First 2 Hours	First 2 Hours		$ 82	$ 84	$ 2
	Each Additional Hour	Each Add'l Hr		$ 44	$ 45	$ 1
	Commercial					
	First 2 Hours	First 2 Hours		$ 165	$ 169	$ 4
	Each Additional Hour	Each Add'l Hr		$ 82	$ 84	$ 2
7	**Ceramic & Fused Glass Studio**					
	Private & Group Instruction *>Includes Basic Furniture Set & Studio Amenities* *>Requires Staff Supervision (See Labor Fees)* *>Not available for Non-Educational/Studio Use* *>Does not include Firing & Materials (See Ceramic & Fused Glass Fees)*					
	Non-Profit					
	First 2 Hours	First 2 Hours		$ 82	$ 84	$ 2
	Each Additional Hour	Each Add'l Hr		$ 44	$ 45	$ 1
	Commercial					
	First 2 Hours	First 2 Hours		$ 165	$ 169	$ 4
	Each Additional Hour	Each Add'l Hr		$ 82	$ 84	$ 2
8	**Private Art Making Event**					
	Private & Group Instruction with Staff Assigned Room Rental in the Studio *Theatre, Visual Arts 01 & 02, Children's Studio, Ceramics & Fused Glass Studio* *>Includes Basic Furniture Set & Studio Amenities* *>Requires Staff Supervision (See Labor Fees)* *>Activity Dependent Materials Fee*					
	Non-Profit					
	First 2 Hours	First 2 Hours		$ 40	$ 41	$ 1
	Each Additional Hour	Each Add'l Hr		$ 20	$ 21	$ 1
	Activity Dependent Materials	Per Participant		$5 - 35	$5 - 35	-
	Commercial					
	First 2 Hours	First 2 Hours		$ 80	$ 82	$ 2
	Each Additional Hour	Each Add'l Hr		$ 40	$ 41	$ 1
	Activity Dependent Materials	Per Participant		$5 - 35	$5 - 35	-
9	**Music Studio I**					
	Private & Group Instruction *Instrument & Voice Lab* *Group Recital, Educational Events* *Rehearsal* *Up to 20 users* *>Includes Basic Furniture Set & Studio Amenities* *>Includes Use of Spinet Piano, Baby Grand Piano, and/or Electric Piano* *>Does not include Use of Other Resident Instruments (See Miscellaneous Rentals)*					
	Non-Profit					

Parks, Recreation & Community Services -
Cultural Arts (Grand Theatre) Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	First 2 Hours	First 2 Hours		$ 75	$ 77	$ 2
	Each Additional Hour	Each Add'l Hr		$ 35	$ 36	$ 1
	Commercial					
	First 2 Hours	First 2 Hours		$ 150	$ 154	$ 4
	Each Additional Hour	Each Add'l Hr		$ 75	$ 77	$ 2
10	**Music Studio II**					
	Private & Group Instruction *Instrument & Voice Lab* *Rehearsal* *Up to 6 users* *>Includes Basic Furniture Set & Studio Amenities* *>Does not include Use of Other Resident Instruments (See Miscellaneous Rentals)*					
	Non-Profit					
	First 2 Hours	First 2 Hours		$ 60	$ 62	$ 2
	Each Additional Hour	Each Add'l Hr		$ 30	$ 31	$ 1
	Commercial					
	First 2 Hours	First 2 Hours		$ 120	$ 123	$ 3
	Each Additional Hour	Each Add'l Hr		$ 60	$ 62	$ 2
11	**Music Studio III**					
	Private Instruction *Instrument & Voice Lab* *Rehearsal* *Up to 3 users* *>Includes Basic Furniture Set & Studio Amenities* *>Includes Use of Spinet Piano, Baby Grand Piano, and/or Electric Piano* *>Does not include Use of Other Resident Instruments (See Miscellaneous Rentals)*					
	Non-Profit					
	First 2 Hours	First 2 Hours		$ 40	$ 41	$ 1
	Each Additional Hour	Each Add'l Hr		$ 20	$ 21	$ 1
	Commercial					
	First 2 Hours	First 2 Hours		$ 80	$ 82	$ 2
	Each Additional Hour	Each Add'l Hr		$ 40	$ 41	$ 1
12	**Music Studio IV**					
	Private Instruction *Digital Recording Lab* *Rehearsal* *Up to 3 users* *>Includes Basic Furniture Set & Studio Amenities* *>Does not include Studio Engineer* *>Does not include Use of Other Resident Instruments (See Miscellaneous Rentals)*					
	Non-Profit					
	First 2 Hours	First 2 Hours		$ 75	$ 77	$ 2
	Each Additional Hour	Each Add'l Hr		$ 35	$ 36	$ 1
	Commercial					
	First 2 Hours	First 2 Hours		$ 150	$ 154	$ 4
	Each Additional Hour	Each Add'l Hr		$ 75	$ 77	$ 2
13	**Grand Galleries**					

Parks, Recreation & Community Services -
Cultural Arts (Grand Theatre) Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Events, Meetings, Presentations, Receptions *>Exhibitions Program Schedule Dependent* *>Requires Staff Supervision (See Labor Fees)* *>Not Available for Exhibits/Displays/Retail Use*					
	Non-Profit					
	First 2 Hours	First 2 Hours		$ 150	$ 154	$ 4
	Each Additional Hour	Each Add'l Hr		$ 75	$ 77	$ 2
	Commercial					
	First 2 Hours	First 2 Hours		$ 300	$ 308	$ 8
	Each Additional Hour	Each Add'l Hr		$ 150	$ 154	$ 4
14	**Lobby Areas**					
	>Public Spaces during Facility Hours & Programming					
	Non-Profit					
	Upstairs	Per 4 Hours		$ 275	$ 282	$ 7
	Downstairs	Per 4 Hours		$ 275	$ 282	$ 7
	Commercial					
	Upstairs	Per 4 Hours		$ 550	$ 564	$ 14
	Downstairs	Per 4 Hours		$ 440	$ 451	$ 11
15	**Café**					
	Non-Profit					
	Non-Revenue Generating Use	Per 4 Hours			$ 25	$ 25
	Revenue Generating Use (Studio Theatre & Lobby Areas)	Per 4 Hours			$ 50	$ 50
	Revenue Generating Use (EK Theatre)	Per 4 Hours			$ 100	$ 100
	Commercial					
	Non-Revenue Generating Use	Per 4 Hours			$ 50	$ 50
	Revenue Generating Use (Studio Theatre & Lobby Areas)	Per 4 Hours			$ 100	$ 100
	Revenue Generating Use (EK Theatre)	Per 4 Hours			$ 200	$ 200
	Base rate for negotiated Concessionaire Agreement	Per Month			**$542 plus 50% of non-alcoholic beverages and all food sales**	-
16	**Box Office Services**					
	Non-Profit					
	Per Performance	Per Performance		$ 110	$ 113	$ 3
	Per Ticket Charge to Patron	Per Ticket		$ 3	$ 3	$ -
	Commercial					
	Per Performance	Per Performance		$ 310	$ 330	$ 20
	Per Ticket Charge to Patron	Per Ticket		$ 3	$ 3	$ -
17	**Miscellaneous Rentals**					
	Non-Profit & Commercial					
	Installation/Removal of Floor for Orchestra Pit	Per Use		$ 550	$ 564	$ 14
	Wired Microphone					
	1 Mic & Stand	Each	[5]	$ 15	$ 16	$ 1
	10 or more	Each	[5]	$ 10	$ 11	$ 1
	Wireless Microphone (Handheld or Lapel)					
	1 Mic & Stand (4 Max)	Each	[5]	$ 27	$ 28	$ 1
	Drum Mic Package - 8 Microphones	Per Use		$ 100	$ 103	$ 3
	Direct Box	Per Use	[5]	$ 25	$ 26	$ 1

Parks, Recreation & Community Services -
Cultural Arts (Grand Theatre) Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	Monitor Wedges	Each			$ 50	$ 50
	Ramtech Split Snake	Per Use		$ 100	$ 103	$ 3
	Monitor Console	Per Use		$ 100	$ 103	$ 3
	Mobile PA	Per Use		$ 100	$ 103	$ 3
	Lectern Stand with Mic	Per Use	[5]	$ 20	$ 21	$ 1
	Conductor Podium	Per Use	[5]	$ 20	$ 21	$ 1
	Follow Spot(s) with One In-house Tech, Two (2) Max.	Each per 4 Hrs.		$ 385	$ 395	$ 10
	Video Projector (EK Theatre)					
	Per 8 Hour Rental	Per 8 Hour Rental		$ 150	$ 154	$ 4
	Each Additional Hour	Each Add'l Hr	[5]	$ 15	$ 16	$ 1
	Video Projector (Studio Theatre)					
	Per 5 Hour Rental	Per 5 Hour Rental		$ 75	$ 77	$ 2
	Each Additional Hour	Each Add'l Hr	[5]	$ 10	$ 11	$ 1
	Haze Machine	Per Use		$ 50	$ 51	$ 1
	Marquee Sign Listing	Per Side/Installation		$ 55	$ 56	$ 1
	Installation & Removal of Marley Mat Dance Floor	Per Use		$ 220	$ 226	$ 6
	6' Folding Tables	Each	[5]	$ 5	$ 6	$ 1
	48" Round Folding Tables	Each	[5]	$ 11	$ 12	$ 1
	36" Round Tables	Each	[5]	$ 11	$ 12	$ 1
	Cocktail Tables	Each	[5]	$ 11	$ 12	$ 1
	Cocktail Table Stools	Each	[5]	$ 5	$ 6	$ 1
	Wood Classroom Chairs					
	1 Chair	Each	[5]	$ 5	$ 6	$ 1
	10 or more	Each	[5]	$ 3	$ 4	$ 1
	Music Stands					
	1 Stand	Each	[5]	$ 5	$ 6	$ 1
	10 or more	Each	[5]	$ 3	$ 4	$ 1
	Black Wenger Orchestra Chairs					
	1 Chair	Each	[5]	$ 11	$ 12	$ 1
	25 or more	Each	[5]	$ 5	$ 6	$ 1
	Black Pipe and Drape	Per Installation		$ 110	$ 113	$ 3
	Black Resin Chairs					
	1 Chair	Each	[5]	$ 5	$ 6	$ 1
	25 or more	Each	[5]	$ 3	$ 4	$ 1
	Piano Tuning	Per Use		$ 195	$225 plus 5%	$ 30
	Electric Piano (Roland RD-700NX)	Per Use		$ 75	$ 77	$ 2
	Easels	Each	[5]	$ 5	$ 6	$ 1
	Stage Riser (4' x 4')	Each	[5]	$ 25	$ 26	$ 1
	Extension Cord 25' Quad Box	Each			$ 15	$ 15
	Extension Cord with Strip	Each			$ 5	$ 5
	Grand Piano (Yamaha) & Tuning				$ 450	$ 450
	TV Monitor	Per Use		$ 55	$ 56	$ 1
	BlueRay	Per Use			$ 20	$ 20
18	**Labor Fees**					
	Non-Profit/Commercial					
	Technical Theatre Supervisor	Per Hour		$ 62	$ 64	$ 2
	Theatre Technicians	Per Hour		$ 44	$ 45	$ 1
	Hospitality Staff	Per Hour	[5]	$ 26	$ 27	$ 1
	Merchandise Seller	Per Hour	[5]	$ 16	$ 17	$ 1
	Usher	Per Hour	[5]	$ 16	$ 17	$ 1
	Cultural Arts Supervisor	Per Hour		$ 62	$ 64	$ 2
	Arts Education Program Coordinator	Per Hour		$ 50	$ 51	$ 1
	Arts Education Instructor	Per Hour	[5]	$ 27	$ 28	$ 1
	Arts Education Recreation Leader III	Per Hour	[5]	$ 16	$ 17	$ 1
	Security Personnel (Min $200 or per hour rate; whichever greater)	Per Hour			$ 28	$ 28

Parks, Recreation & Community Services -
Cultural Arts (Grand Theatre) Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
19	**Additional Fees**					
	Non-Profit/Commercial					
	Janitorial Fees					
	Per 8 Hours	Per 8 Hours		$ 250	$ 257	$ 7
	Per 4 Hours	Per 4 Hours		$ 125	$ 128	$ 3
	Porter					
	Per 8 Hours	Per 8 Hours		$ 240	$ 246	$ 6
	Per 4 Hours	Per 4 Hours		$ 120	$ 123	$ 3
	Agreement Processing Fee	Per Contract		$ 38	$ 39	$ 1
	Global Music Rights License Fee	Per Event			**$10 for benefit concerts or .15% of gross revenue for concerts**	-
20	**Rental Client Marketing Services**					
	Limited availability, as space allows, must use Grand Theatre Center for the Arts contracted graphic designer.					
	Non-Profit					
	Exterior Posterbox	Per Event		$ 50	$ 51	$ 1
	Email Promotion	Per Email		$ 200	$ 205	$ 5
	Atrium & Pre-Show Video	Per Event		$ 75	$ 77	$ 2
	Press Release	Per Release		$ 75	$ 77	$ 2
	Local Postcard Distribution	Per Event		$ 75	$ 77	$ 2
	Social Media Promotion		[4]			
	Facebook Post to Grand Page	Per Post		$ 75	$ 77	$ 2
	Instagram Post to Grand Page	Per Post		$ 75	$ 77	$ 2
	Static Ad Build	Per Ad		$ 125	$ 128	$ 3
	Video Ad Build	Per Ad		$ 250	$ 257	$ 7
	Commercial					
	Exterior Posterbox	Per Event		$ 100	$ 103	$ 3
	Email Promotion	Per Email		$ 400	$ 410	$ 10
	Atrium & Pre-Show Video	Per Event		$ 150	$ 154	$ 4
	Press Release	Per Release		$ 150	$ 154	$ 4
	Local Postcard Distribution	Per Event		$ 150	$ 154	$ 4
	Social Media Promotion		[4]			
	Facebook Post to Grand Page	Per Post		$ 150	$ 154	$ 4
	Instagram Post to Grand Page	Per Post		$ 150	$ 154	$ 4
	Static Ad Build	Per Ad		$ 250	$ 257	$ 7
	Video Ad Build	Per Ad		$ 500	$ 513	$ 13
21	**Arts Education Program Fees**					
	Non-Profit/Commercial					
	Ceramics & Fused Glass - Assembly, Firing, Glazes, Finishing - Classes, Camps, Presentations, Private Lessons, Workshops	Per Person		**$5 - $400**	**$5 - $400**	-
	Dance - Ballroom, Classical, Cultural, Fitness, Modern, Movement, Tai Chi, Technical - Classes, Camps, Presentations, Private Lessons, Workshops	Per Person		**$5 - $400**	**$5 - $400**	-
	Drama - Acting, Audition, Costume, Writing, Technical, Performance, Props - Classes, Camps, Presentations, Private Lessons, Workshops	Per Person		**$5 - $400**	**$5 - $400**	-
	Literary Arts	Per Person		**$5 - $400**	**$5 - $400**	-

Parks, Recreation & Community Services -
Cultural Arts (Grand Theatre) Division

Fee No.	Fee Name	Fee Type	Notes	FY23/24 Fee	FY24/25 Proposed Fee	Difference
	- Writing, Journaling, Letterform, Literature, Poetry, Spoken Word - Classes, Camps, Presentations, Private Lessons, Workshops					
	Music	Per Person		**$5 - $400**	**$5 - $400**	**-**
	- Electronic, Horns, Keyboard, Methodologies, Percussion, Strings, Woodwind, Voice - Classes, Camps, Presentations, Private Lessons, Workshops					
	Visual Arts	Per Person		**$5 - $400**	**$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**	**$6 / $15**	**-**
	- 3 Days in Designated Months - 2 Activities per Day & Hospitality					
	Program Transaction Fees (Applied to withdrawal, refund, credit, or transfer)	Per Transaction		**$ 5**	**$ 5**	**$ -**
	Program Lab Fees (Applied to applicable studio-based classes for studio furniture, tools, equipment and instrument usage)	Per Person		**–**	**$5 - $60**	**-**
22	**Exhibitions Program Fees**					
	Juried Exhibition Entry Fee	Per Entry		**–**	**$5 - $25**	**-**
23	**Services Requested of City staff which have no Fee Listed in this Fee Schedule.** Additionally, the City will Pass-through to the Applicant any Discrete Costs Incurred from the Use of External Service Providers if Required to Process the Specific Application.					
	Full-Time					
	During Business Hours	Per Hour		**$ 159**	**$ 163**	**$ 4**
	After Business Hours	Per Hour		**$ 175**	**$ 180**	**$ 5**
	Part-Time					
	During Business Hours	Per Hour		**$ 48**	**$ 50**	**$ 1**
	After Business Hours	Per Hour		**$ 53**	**$ 55**	**$ 1**
	Blended					
	During Business Hours	Per Hour		**$ 124**	**$ 127**	**$ 3**
	After Business Hours	Per Hour		**$ 136**	**$ 139**	**$ 4**

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).

[5] If the CPI increase is $1 or less, a $1 increase will be applied to that fee.

May 21, 2024

Agenda Item 3.D

RECOMMENDATION

Staff recommends that the Tracy City Council and the Tracy Public Financing Authority, concurrently, take actions as follows:

A. That the Tracy City Council adopt a Resolution approving documents and actions related to the issuance and sale of lease revenue bonds in the aggregate principal amount not exceeding $60,000,000 by the Tracy Public Financing Authority to provide financing for the acquisition and construction of the multi-generational recreation center, improvements to El Pescadero Park and related public improvements.

B. That the Tracy Public Financing Authority adopt a Resolution approving documents and actions related to the issuance and sale of lease revenue bonds to provide financing for the acquisition and construction of the multi-generational recreation center, improvements to El Pescadero Park and related public improvements.

EXECUTIVE SUMMARY

On January 19, 2024, the City Council conducted a public hearing, and the City Council and the Board of Directors of the City of Tracy and the Tracy Public Financing Authority, respectively, adopted resolutions approving issuance and sale of lease revenue bonds to fund the Multi-Generational Recreation Center project (CIP 78178), which includes a complete renovation of El Pescadero Park, including related public improvements (Project).

Lease financings are commonly structured as lease revenue bonds issued by a joint powers authority (a separate public agency formed to provide assistance with financings). As explained below, the City and the Tracy Industrial Development Authority (Authority) are parties to a First Amended and Restated Joint Powers Agreement, dated as of October 17, 2018 (Joint Powers Agreement). The Joint Powers Agreement delegates authority to the Authority to issue lease revenue bonds for City projects.

Staff recommends that the City Council and the Tracy Public Financing Authority take the actions noted above, to enable the issuance of lease revenue bonds for the Project.

The debt service on the lease revenue bonds will be paid from lease payments made by the City, and the lease payments are expected to be paid from Measure V funds until its expiration date and from general funds of the City thereafter through the final maturity date expected on November 1, 2054.

BACKGROUND AND LEGISLATIVE HISTORY

MEASURE V FUNDING; THE PROJECT

City voters approved a general sales tax measure (Measure V) on November 8, 2016, resulting in an additional 0.5% sales tax through March 31, 2036.

On December 5, 2023, the City Council gave direction to staff to fund approximately $54,000,000 of the Project costs through public financing and Measure V, with a 30-year repayment term.

On January 19, 2023, the City Council held a public hearing and each of the City Council and the Tracy Public Financing Authority adopted resolutions authorizing the issuance of lease revenue bonds in an amount not-to-exceed $60,000,000 to fund the Project.

On March 15, 2024 staff solicited bids to construct the Project and in a related action on tonight's agenda the City Council will consider awarding a bid for construction of the Project. The Project is scheduled to break ground in June 2024.

LEASE FINANCINGS

California cities commonly use lease financing to pay for capital improvements through their general fund without first holding a city-wide election. Lease financings are commonly structured as lease revenue bonds issued by a joint powers authority (a separate public agency formed to provide assistance with financings). Under a lease revenue bond financing, the City is obligated to make lease payments to the joint powers authority for the right to use and occupy a public building, and the joint powers authority assigns its right to receive the lease payments to a bond trustee; the bond trustee uses the lease payments to pay debt service on lease revenue bonds that are sold to investors. In lease financing structures, cities covenant to annually budget and appropriate from the general fund for the lease payments.

TRACY PUBLIC FINANCING AUTHORITY

The City and the Tracy Industrial Development Authority (Industrial Development Authority) are parties to a First Amended and Restated Joint Powers Agreement, dated as of October 17, 2018 (Joint Powers Agreement), pursuant to which the Authority was established as a joint exercise of powers authority under the Joint Exercise of Powers Act (Government Code §6500 et seq.) (Joint Powers Law) for the purpose of providing assistance to the City and the Industrial Development Authority with their financing programs, and for any other purposes authorized under Article 4 of the Joint Powers Law (Bond Law).

ANALYSIS

PROPOSED LEASE REVENUE BONDS

Staff recommends the following actions:

City and Authority Approvals. Staff recommends that the City Council and the Board of Directors of the Authority adopt resolutions:

(i) approving the documents related to the Lease Revenue Bonds, including a Preliminary Official Statement, and

(ii) authorizing staff to take all necessary actions related to issuance of the Lease Revenue Bonds.

TERMS OF THE LEASE REVENUE BONDS

Pursuant to the resolutions adopted on January 19, 2024, the true interest cost of the Lease Revenue Bonds cannot exceed 7.00% and the principal amount of the Lease Revenue Bonds cannot exceed $60,000,000.

Government Code Section 5852.1 requires the City to obtain and disclose a good faith estimate of certain information about the Lease Revenue Bonds, including the true interest cost, the financing costs, the use of proceeds and the total payment amount, and this information was included in Appendix A of the proposed resolutions attached hereto. Based upon current market conditions as of the week of December 4, 2023, the Lease Revenue Bonds are estimated to be issued in the amount of $50,285,000, which does not include approximately $4,236,000 of net premium estimated to be generated, for total gross bond proceeds of $54,581,000, and net Project funds of $54,000,000. Net premium is generated when, on a net aggregate basis for a single issuance of bonds, the price paid for such bonds is higher than the face value of such bonds. At then-current market conditions, the Lease Revenue Bonds are expected to carry a true interest cost of approximately 4.54%. Market conditions and other assumptions have not changed substantially since the preliminary estimates listed above were prepared. The final interest rate on the Lease Revenue Bonds will not be determined until the Lease Revenue Bonds price in May or June 2024.

DOCUMENTS RELATED TO THE LEASE REVENUE BONDS

The proposed Lease Revenue Bonds require the following documents:

- Site Lease: Under a Site Lease, the City will lease the land and improvements consisting of the real property and improvements constituting El Pescadero Park (including the multi-generational recreation center), City Hall complex, and City fire stations #92 and #96 (Leased Property) to the Authority to facilitate the lease financing.

- Lease Agreement: Under a Lease Agreement, the Authority will sublease the Leased Property to the Authority. The City will covenant in the Lease Agreement to budget and appropriate for the scheduled lease payments – in an amount sufficient to pay debt service on the Lease Revenue Bonds – on an annual basis. If the City fails to make the scheduled lease payments, the trustee for the Lease Revenue Bonds (Trustee) could sue the City to make the scheduled lease payments or the Trustee could take possession of and re-let the Leased Property. Upon delivery by the City of a Completion Certificate for the Project to the Trustee, the City is entitled to release all of the assets constituting the Lease Property from the Lease Agreement and the Site Lease except the real property and improvements constituting El Pescadero Park (including the multi-generational recreation center). The City will confirm in the Lease Agreement that the lease payments made by the City under the Lease Agreement represent fair rental value for the Leased Property.

- Indenture of Trust; Assignment Agreement: Under an Assignment Agreement and an Indenture of Trust, each between the Authority and U.S. Bank Trust

Company, National Association, as Trustee, the Authority will assign to the Trustee its right to receive the lease payments that are payable by the City under the lease agreement. Under the Indenture of Trust, the Authority will issue the Lease Revenue Bonds; the Trustee will use the lease payments assigned to it to pay debt service on the Lease Revenue Bonds.

- Preliminary Official Statement. The Official Statement is the primary disclosure document for investors in the Lease Revenue Bonds. A Preliminary Official Statement will be circulated to potential investors prior to the pricing of the Lease Revenue Bonds. After the Lease Revenue 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 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; CSG Advisors Incorporated, the City's municipal advisor (Municipal Advisor); and Piper Sandler & Co., the Underwriter of the Lease Revenue Bonds (Underwriter).

  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 Lease Revenue 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 Lease Revenue 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 (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) (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 Lease Revenue 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 2024 BONDS": This section summarizes the key terms of the Lease Revenue Bonds, including payment dates and redemption provisions.
- "SECURITY FOR THE 2024 BONDS": This section summarizes key security terms, including the lease payments made by the City under the Lease Agreement described above.
- "CITY FINANCIAL INFORMATION": This section summarizes financial and operating data that is material to the City's ability to pay the lease payments.
- "BOND OWNERS' RISKS": This section highlights the primary risks associated with the Lease Revenue Bonds, most of which relate to the financial health of the City's general fund.
- "TAX MATTERS": This section describes the tax-exempt nature of interest on the Lease Revenue Bonds.

- Continuing Disclosure Certificate. Under SEC Rule 15c2-12, the Underwriter of the Lease Revenue Bonds may only purchase the Lease Revenue 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. The City will execute a Continuing Disclosure Certificate to provide ongoing information consistent with SEC Rule 15c2-12, and a form of the Continuing Disclosure Certificate is attached to the Preliminary Official Statement.

- Bond Purchase Agreement. At the time the Lease Revenue Bonds are sold, the City and the Authority will enter into a Bond Purchase Agreement with the Underwriter, who will agree to underwrite the Lease Revenue 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 Lease Revenue Bonds may not exceed 0.85% of the par amount of the Lease Revenue Bonds.

CALIFORNIA ENVIRONMENTAL QUALITY ACT

The City is the lead agency for California Environmental Quality Act (CEQA) review of the Project. In July 2023, the environmental sub-consultant for the Project prepared an Initial Study/Mitigated Negative Declaration (IS/MND) to evaluate the potential environmental impacts of the proposed Project. The Draft IS/MND was posted on the City's website from July 27, 2023, to August 16, 2023, for comments in accordance with CEQA requirements. Furthermore, the notice was published in Tracy Press on July 28, 2023, and sent to all properties within a 300- foot radius of El Pescadero Park for review and comment. The Notice of Completion was submitted to the State Clearinghouse for the City to begin the requisite review process. The IS/MND determined that the proposed Project will not have significant impacts on the environment, with the inclusion of appropriate avoidance, minimization and mitigation measures included in the Mitigation Monitoring and Reporting Program (MMRP). By separate action, on January 16, 2024, the City Council considered and adopted the MND and MMRP and the City filed a Notice of Determination with the State Clearinghouse on January 22, 2024.

COORDINATION

Coordination on this agenda item included City staff from various City departments including Parks & Recreation, Finance, City Attorney's Office and City Manager's office along with staff from Jones Hall.

FISCAL IMPACT

The lease payments to be made by the City under the Lease Agreement are expected to be paid with Measure V revenues (F307); the Measure V sales tax expires on March 31, 2036; thereafter, lease payments, which are estimated annually to average approximately $3,315,000 per year through November 1, 2054, would be paid from available general fund revenues. Actual annual average lease payments will not be determined until the Lease Revenue Bonds price in later May/early June 2024.

The fees and expenses of the financing team, including Bond Counsel, Disclosure Counsel, Underwriter and Municipal Advisor are paid from proceeds of the Lease Revenue Bonds.

STRATEGIC PLAN

This agenda item supports the City of Tracy's Quality of Life Strategic Priority, and specifically implements the following goals:

Goal 2: Facilitate the Completion of Measure V Amenities; Objective 3: Implement design of Measure V amenity and Objective 4: Break ground on Measure V amenity.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the Tracy City Council and the Tracy Public Financing Authority, concurrently, take actions as follows:

A. That the Tracy City Council adopt a Resolution approving documents and actions related to the issuance and sale of lease revenue bonds in the aggregate principal amount not exceeding $60,000,000 by the Tracy Public Financing Authority to provide financing for the acquisition and construction of the multi-generational recreation center, improvements to El Pescadero Park and related public improvements.

B. That the Tracy Public Financing Authority adopt a Resolution approving documents and actions related to the issuance and sale of lease revenue bonds to provide financing for the acquisition and construction of the multi-generational recreation center, improvements to El Pescadero Park and related public improvements.

Prepared by: Sara Cowell, Director of Finance

Reviewed by: Karin Schnaider, Assistant City Manager
Bijal Patel, City Attorney

Approved by: Midori Lichtwardt, City Manager

ATTACHMENTS

A. Site Lease
B. Lease Agreement
C. Assignment Agreement
D. Indenture of Trust
E. Bond Purchase Agreement
F. Preliminary Official Statement

TO BE RECORDED AND WHEN RECORDED
RETURN TO:

Jones Hall, A Professional Law Corporation
475 Sansome Street, Suite 1700
San Francisco, California 94111
Attention: Christopher K. Lynch, Esq.

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX UNDER SECTION 11929 OF THE REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES UNDER SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

SITE LEASE

This SITE LEASE (this "**Site Lease**"), dated for convenience as of June 1, 2024, is between the CITY OF TRACY, a general law city and municipal corporation duly organized and existing under the Constitution and laws of the State of California, as lessor (the "**City**"), and the TRACY PUBLIC FINANCING AUTHORITY, a joint powers authority duly organized and existing under the laws of the State of California, as lessee (the "**Authority**").

B A C K G R O U N D :

1. The City wishes to finance the acquisition and construction of a multi-generational recreation center in El Pescadero Park, improvements to El Pescadero Park and related public improvements that may be identified from time to time by the City (the "**Project**").

2. The City and the Tracy Industrial Development Authority (the "**Industrial Development Authority**") are parties to a First Amended and Restated Joint Powers Agreement, dated as of October 17, 2018 (the "**Joint Powers Agreement**"), pursuant to which the Authority was established as a joint exercise of powers authority under the Joint Exercise of Powers Act (Government Code §6500 et seq.) for the purpose of providing assistance to the City and the Industrial Development Authority with their financing programs, and for any other purposes authorized under the Bond Law (as defined in the Indenture referenced below).

3. To that end, the City has proposed to lease to the Authority certain real property and improvements of the City, as more particularly described in Appendix A attached hereto and by this reference incorporated herein (the "**Leased Property**"), under this Site Lease, in consideration of the payment by the Authority of an upfront rental payment (the "**Site Lease Payment**") which is sufficient to provide funds for the acquisition and construction of the Project .

4. The Authority has authorized the issuance of its Tracy Public Financing Authority Lease Revenue Bonds, Series 2024A (Multi-Generational Recreation Center Project) in the aggregate principal amount of $)_____ (the "**2024 Bonds**") under an Indenture of Trust dated as of June 1, 2024 (the "**Indenture**"), between the Authority and U.S. Bank Trust Company, National Association, as trustee (the "**Trustee**"), for the purpose of providing the funds to enable the Authority to pay the Site Lease Payment to the City in accordance with this Site Lease.

5. Under Section 2.08 and Section 2.09 of the Indenture, the Authority is authorized to issue Additional Bonds (as defined in the Indenture) payable from the Lease Payments (as defined in the Lease) payable by the City under the Lease. Together, the 2024 Bonds and any Additional Bonds are defined as "**Bonds**" under this Site Lease and the Indenture.

6. In order to provide revenues which are sufficient to enable the Authority to pay debt service on the Bonds, the Authority has agreed to lease the Leased Property back to the City under a Lease Agreement dated as of June 1, 2024 (the "**Lease**"), a memorandum of which has been recorded concurrently herewith, under which the City has agreed to pay semiannual Lease Payments as the rental for the Leased Property thereunder.

6. The lease payments made by the City under the Lease have been assigned by the Authority to the Trustee for the security of the Bonds under an Assignment Agreement dated as of June 1, 2024, between the Authority as assignor and the Trustee as assignee, which has been recorded concurrently herewith.

A G R E E M E N T :

In consideration of the above premises and of the mutual promises and covenants herein contained and for other valuable consideration, the parties hereto do hereby agree as follows:

SECTION 1. *Lease of Property to Authority.* The City hereby leases the Leased Property to the Authority and the Authority hereby leases the Leased Property from the City, on the terms and conditions hereinafter set forth.

SECTION 2. *Term; Possession*. The term of this Site Lease commences on the date of recordation of this Site Lease and ends on the date on which the Indenture is discharged in accordance with Article X thereof, but under any circumstances not later than November 1, _____ or, if Additional Bonds have been issued under the Indenture, the day that is 10 years after the final maturity date of the Additional Bonds (if later than November 1, _____). The provisions of this Section 2 are subject in all respects to any other provisions of this Site Lease relating to the termination hereof.

SECTION 3. *Rental*. The Authority shall pay to the City as and for rental of the Leased Property hereunder, the sum of $_____ (the "**Site Lease Payment**"). The Site Lease Payment is due and payable upon the issuance of the Bonds and the execution and delivery hereof, and will be paid from the proceeds of the Bonds. The Authority and the City hereby find and determine that the total amount of the Site Lease Payment does not exceed the fair market value of the leasehold interest in the Leased

Property which is conveyed hereunder by the City to the Authority. No other amount of rental is due and payable by the Authority for the use and occupancy of the Leased Property under this Site Lease.

As provided in the Indenture, a portion of the proceeds of the Bonds will be applied to make the Site Lease Payment by depositing the Bond proceeds it receives from the Original Purchaser in the Costs of Issuance Fund and the Project Fund.

SECTION 4. *Leaseback to City*. The Authority shall lease the Leased Property back to the City under the Lease.

SECTION 5. *Assignments and Subleases*. Unless the City is in default under the Lease, the Authority may not assign its rights under this Site Lease or sublet all or any portion of the Leased Property, except as provided in the Assignment Agreement and in the Lease, without the prior written consent of the City.

SECTION 6. *Substitution, Release or Addition of Property*. If the City exercises its option under Section 3.2 of the Lease to substitute property for the Leased Property in whole or in part, such substitution shall also operate to substitute property for the Leased Property which is leased hereunder. If the City exercises its option under Section 3.3 of the Lease to release a portion of the Leased Property from the Lease, such substitution shall also operate to release such portion of the Leased Property hereunder. If the City exercises its option under Section 3.4 of the Lease to add additional property as Leased Property under the Lease, such addition shall also operate to add property as Leased Property hereunder. The description of the Leased Property which is leased under the Lease shall conform at all times to the description of the Leased Property which is leased hereunder.

Pursuant to Section 3.3 of the Lease Agreement, upon delivery by the City of a Completion Certificate to the Trustee, the City shall be entitled to release all of the assets then constituting the Leased Property from this Lease Agreement and the Site Lease except the real property and improvements constituting El Pescadero Park (including the multi-generational recreation center).

SECTION 7. *Right of Entry*. The City reserves the right for any of its duly authorized representatives to enter upon the Leased Property, or any portion thereof, at any reasonable time to inspect the same or to make any repairs, improvements or changes necessary for the preservation thereof.

SECTION 8. *Termination*. The Authority agrees, upon the termination of this Site Lease, to quit and surrender the Leased Property in the same good order and condition as the Leased Property was in at the time of commencement of the term hereof, reasonable wear and tear excepted, and agrees that all buildings, improvements and structures then existing upon the Leased Property shall remain thereon and title thereto shall vest thereupon in the City for no additional consideration.

SECTION 9. *Default*. If the Authority defaults in the performance of any obligation on its part to be performed under the terms of this Site Lease, which default continues for 30 days following notice and demand for correction thereof to the Authority, the City may exercise any and all remedies granted by law, except that no merger of this Site Lease and of the Lease shall be deemed to occur as a result thereof and no such

remedy may include termination hereof; *provided, however*, that so long as the Lease remains in effect, the Lease Payments payable by the City under the Lease shall continue to be paid to the Trustee.

SECTION 10. *Quiet Enjoyment*. The Authority at all times during the term of this Site Lease shall peaceably and quietly have, hold and enjoy all of the Leased Property, subject to the provisions of the Lease and subject only to Permitted Encumbrances (as that term is defined in the Lease).

SECTION 11. *Waiver of Personal Liability*. All liabilities under this Site Lease on the part of the Authority are solely corporate liabilities of the Authority as a public entity, and the City hereby releases each and every member and officer of the Authority of and from any personal or individual liability under this Site Lease. No member or officer of the Authority or its governing board shall at any time or under any circumstances be individually or personally liable under this Site Lease for anything done or omitted to be done by the Authority hereunder.

SECTION 12. *Taxes*. The City covenants and agrees to pay any and all assessments of any kind or character and also all taxes, including possessory interest taxes, levied or assessed upon the Leased Property and any improvements thereon.

SECTION 13. *Eminent Domain*. If the whole or any part of the Leased Property or any improvements thereon is taken by eminent domain proceedings, the interest of the Authority shall be recognized and is hereby determined to be the amount of the then unpaid Lease Payments payable under the Lease and the balance of the award, if any, shall be paid to the City.

SECTION 14. *Partial Invalidity*. If any one or more of the terms, provisions, covenants or conditions of this Site Lease shall to any extent be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding or order or decree of which becomes final, none of the remaining terms, provisions, covenants and conditions of this Site Lease shall be affected thereby, and each provision of this Site Lease shall be valid and enforceable to the fullest extent permitted by law.

SECTION 15. *Notices*. Any notice, request, complaint, demand or other communication under this Site Lease shall be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or by telecopy, telex or other form of telecommunication, at its number set forth below. Notice shall be effective either (a) upon transmission by telecopy, telex or other form of telecommunication, (b) 48 hours after deposit in the United States mail, postage prepaid, or (c) in the case of personal delivery to any person, upon actual receipt. The City, the Authority and the Trustee may, by written notice to the other parties, from time to time modify the address or number to which communications are to be given hereunder.

If to the Authority or the City:	City of Tracy 333 Civic Center Plaza Tracy, California 95376 Attention: Finance Director Fax: 209-831-6439

If to the Trustee: U.S. Bank Trust Company, National Association
Attn.: Global Corporate Trust Services
One California Street, Suite 1000
San Francisco, CA 94111
Fax: 415-677-3768

SECTION 16. *Amendment of this Site Lease*. The Authority and the City may at any time amend or modify any of the provisions of this Site Lease, but only (a) with the prior written consent of the Owners of a majority in aggregate principal amount of the Outstanding Bonds; or (b) without the consent of any of the Bond Owners, but only if such amendment or modification is for any one or more of the following purposes:

(i) to make cure any ambiguity, or to cure, correct or supplement any defective provision contained herein, or in any other respect whatsoever as the Authority and the City may deem necessary or desirable, provided that, in the opinion of Bond Counsel, such modifications or amendments do not materially adversely affect the interests of the Owners of the Bonds;

(ii) to amend any provision hereof relating to the Tax Code, to any extent whatsoever but only if and to the extent such amendment will not adversely affect the exclusion from gross income of interest on the Bonds under the Tax Code, in the opinion of Bond Counsel;

(iii) to conform to any amendment of the Indenture which is made thereto in accordance with Section 9.01 of the Indenture; or

(iv) for the purpose of effectuating any substitution, release or addition of property under Section 6.

SECTION 17. *Governing Law*. This Site Lease shall be construed in accordance with and governed by the Constitution and laws of the State of California.

SECTION 18. *Third Party Beneficiary.* The Trustee is hereby made a third-party beneficiary under this Site Lease with all rights of a third party beneficiary.

SECTION 19. *Binding Effect*. This Site Lease inures to the benefit of and is binding upon the Authority, the City and their respective successors and assigns, subject, however, to the limitations contained herein.

SECTION 20. *Section Headings*. All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Site Lease.

SECTION 21. *Execution in Counterparts*. This Site Lease may be executed in any number of counterparts, each of which shall be deemed to be an original but all together shall constitute but one and the same lease. It is also agreed that separate counterparts of this Site Lease may be separately executed by the Authority and the City, all with the same force and effect as though the same counterpart had been executed by both the Authority and the City.

SECTION 22. *Defined Terms*. All capitalized terms used herein and not otherwise defined have the respective meanings given those terms in the Indenture.

IN WITNESS WHEREOF, the City and the Authority have caused this Site Lease to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

CITY OF TRACY, *as lessor*

By _____
Finance Director

Attest:

_____
City Clerk

TRACY PUBLIC FINANCING AUTHORITY, *as lessee*

By _____
Treasurer

Attest:

_____
Secretary

APPENDIX A

DESCRIPTION OF THE LEASED PROPERTY

The Leased Property consists of that certain real property situated in the City of Tracy, County of San Joaquin, State of California, which is more particularly described as follows:

Parcel 1: (APN: 235-190-54, 235-190-51, 235-190-41 and 235-190-50) – City Hall

Lots 1, 2, 4 and 5 as shown and delineated on the Parcel Map filed September 17, 2008, in Book 25 of Parcel Maps, at Page 11, San Joaquin County Records.

Excepting therefrom for purposes of this Site Lease the leased premises under an unrecorded Site Lease Agreement, dated August 2, 2005, between the City and Clearwire, LLC, as amended by an unrecorded Amendment No. 1 to Site Lease Agreement dated August 2, 2005, which premises constitute approximately 96 square feet of ground space for communication equipment and space on the City's existing monopole tower (as shown on Exhibit B to such unrecorded Site Lease Agreement). The Site Lease Agreement, as amended, is disclosed by that certain Memorandum of Agreement recorded in the real property records of San Joaquin County on March 16, 2005 as Document Number 2006-058326.

Parcel 2: (APN 213-070-82) – City Fire Station

A portion of Lot 31, "Unit No. 1 of Pescadero Colony", Rancho El Pescadero, filed for record November 10, 1921 in Book of Maps and Plats, Volume 10, Page 44, San Joaquin County Records and more particularly described as follows:

All of Parcel 1, as shown upon that certain Parcel Map, filed for record December 21, 2011 in Book 25 of Parcel Maps at Page 125, San Joaquin County Records.

Excepting therefrom all mineral rights 500 feet and below without the right of surface entry.

Parcel 3: (APN: 232-020-03) – City Fire Station

A portion of the Northeast, one-quarter of Section 20, T2S, R58 of the Mt. Diablo Base and Meridian and further described as follows:

Beginning at the Northeast corner of that certain Parcel of land conveyed to Roy Mehring and Mabel Mehring, his wife, by Deed dated April 17, 1964 and recorded in Book 2811, Page 635 Official Records of San Joaquin County; thence S 00° 05' 50" E, 145.20 feet along the Easterly boundary of the above said Parcel; thence S 45° 00' 00" E, 119.88 feet; thence East, 174.98 feet; thence North, 229.97 feet to a point on the Southerly boundary of that certain strip of land conveyed to the West side irrigation district by Deed dated November 21, 1927 and recorded in Book of Official Records, Volume 248, Page 330, San Joaquin County Records; thence S 89° 59' 57" W along this aforementioned Southerly boundary, 260.00 to the point of beginning.

Parcel 4: (APN: 214-500-01) – El Pescadero Park

Lots 3 and 4 in Block 5 of Tracy Garden Farms, according to the Official Map thereof filed in Vol. 8 of Maps, Page 1, San Joaquin County Records.

Excepting therefrom that portion conveyed to Joe De Maria, et ux, by Deed recorded June 28, 1939 in Book of Official Records, Vol. 646, page 372, San Joaquin County Records, described as follows:

That portion of Lot 4 in Block 5 of Tracy Garden Farms, according to the Official Map thereof filed in Vol. 8 of Maps, page 1, San Joaquin County Records, described as follows:

Beginning at the Southeast corner of said Lot 4 of said Block 5 of the Tracy Garden Farms, which said point is a steel axie, at the intersection of the North line of the public road, known as Grant Line Road, with the East line of said Lot 4; thence North 0° 13' West along the East line of said Lot 4, 569.90 feet to the center line of an irrigation canal of the Tracy Clover Irrigation District; thence South 85° 56' West along the center line of said irrigation canal, 392.38 feet; thence South 0° 13' East parallel to the East line of said Lot 4, 542.86 feet to a point in the North line of the said public highway; thence North 89° 53' East along the North line of the said public highway and the South line of said Lot 4, 391.46 feet to the point of beginning.

Also excepting therefrom unto Grantor one-half (1/2) of all oil, gas and other hydrocarbon substances lying below a depth of five hundred feet (500') from the surface thereof, but without any rights of access above said depth, as reserved in Deed recorded June 16, 1964 in Book 2834 Page 23 of Official Records.

Excepting therefrom for purposes of this Site Lease the leased premises under an unrecorded Ground Lease, dated September 1, 2005, by and between the City and Tracy Interfaith Ministries, as such agreement is referenced in the City of Tracy Planning Commission Resolution 2004-18 dated May 12, 2004. The leased premises consist of approximately 32,000 square feet (0.75 acres) of land as shown in Exhibit A to such unrecorded Ground Lease and the non- exclusive use of a certain parking lot as shown in Exhibit B to such unrecorded Ground Lease.

Excepting therefrom for purposes of this Site Lease a portion of the land shown on that certain Grant Deed executed by Evalynne D. Paddon as grantor and the City of Tracy, a municipal corporation as grantee, recorded June 16, 1964, as Instrument No. 30265 in Book 2834 Page 23, of Official Records, being more specifically defined in an unrecorded lease as evidenced by that certain instrument dated December 7, 2021 entitled "Resolution 2021-181, Approving the Lease Agreement between the City of Tracy and the South San Joaquin Fire Authority for use of Fire Stations, Administration Facility, Support Services Facility, Apparatus and Equipment", being the most Southwesterly corner of the above described lands containing 0.50 acres bounded by the Northerly line of Grant Line Rd. and the Westerly line of Parker Ave.

(End of Legal Description)

LEASE AGREEMENT

Dated as of June 1, 2024

between the

TRACY PUBLIC FINANCING AUTHORITY,
as lessor

and the

CITY OF TRACY,
as lessee

Relating to

$_____
Tracy Public Financing Authority
Lease Revenue Bonds, Series 2024A
(Multi-Generational Recreation Center Project)

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LEASE AGREEMENT

This LEASE AGREEMENT (this "**Lease**"), dated for convenience as of June 1, 2024, is between the TRACY PUBLIC FINANCING AUTHORITY, a joint powers authority duly organized and existing under the laws of the State of California, as lessor (the "**Authority**"), and the CITY OF TRACY, a general law city and municipal corporation duly organized and existing under the Constitution and laws of the State of California, as lessee (the "**City**").

B A C K G R O U N D :

1. The City wishes to finance the acquisition and construction of a multi-generational recreation center in El Pescadero Park, improvements to El Pescadero Park and related public improvements that may be identified from time to time by the City (the "**Project**").

2. The City and the Tracy Industrial Development Authority (the "Industrial Development Authority") are parties to a First Amended and Restated Joint Powers Agreement, dated as of October 17, 2018 (the "**Joint Powers Agreement**"), pursuant to which the Authority was established as a joint exercise of powers authority under the Joint Exercise of Powers Act (Government Code §6500 et seq.) for the purpose of providing assistance to the City and the Industrial Development Authority with their financing programs, and for any other purposes authorized under the Bond Law (as defined in the Indenture referenced below).

3. The City has proposed to lease to the Authority certain real property and improvements of the City, as more particularly described in Appendix A attached hereto and by this reference incorporated herein (the "**Leased Property**"), under a Site Lease, dated the date hereof (the "**Site Lease**") in consideration of the payment by the Authority of an upfront rental payment (the "**Site Lease Payment**") which is sufficient to provide funds for the acquisition and construction of the Project. The Site Lease is being recorded concurrently with a memorandum of this Lease.

4. The Authority has authorized the issuance of its Tracy Public Financing Authority Lease Revenue Bonds, Series 2024A (Multi-Generational Recreation Center Project) in the aggregate principal amount of $_____ (the "**2024 Bonds**") under an Indenture of Trust dated as of June 1, 2024 (the "**Indenture**"), between the Authority and U.S. Bank Trust Company, National Association, as trustee (the "**Trustee**"), for the purpose of providing the funds to enable the Authority to pay the Site Lease Payment to the City in accordance with this Site Lease.

5. Under Section 2.08 and Section 2.09 of the Indenture, the Authority is authorized to issue Additional Bonds (as defined in the Indenture) payable from the Lease Payments payable by the City hereunder. Together, the 2024 Bonds and any Additional Bonds are defined as "**Bonds**" under this Lease and the Indenture.

6. In order to provide revenues that are sufficient to enable the Authority to pay debt service on the Bonds, the Authority has agreed to lease the Leased Property

back to the City under this Lease under which the City agrees to pay semiannual Lease Payments as the rental for the Leased Property.

7. The lease payments made by the City under this Lease have been assigned by the Authority to the Trustee for the security of the Bonds under an Assignment Agreement dated as of the date hereof, between the Authority as assignor and the Trustee as assignee, which has been recorded concurrently herewith.

8. The City and the Authority have found and determined that all acts and proceedings required by law necessary to make this Lease, when executed by the City and the Authority, the valid, binding and legal obligations of the City and the Authority, and to constitute this Lease a valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done and taken, and the execution and delivery of this Lease have been in all respects duly authorized.

A G R E E M E N T :

In consideration of the material covenants contained in this Lease, the parties hereto hereby formally covenant, agree and bind themselves as follows:

ARTICLE I

DEFINITIONS; RULES OF INTERPRETATION

SECTION 1.1. *Definitions.* Unless the context clearly otherwise requires or unless otherwise defined herein, the capitalized terms in this Lease have the respective meanings given them in the Indenture.

SECTION 1.2. *Interpretation.*

(a) Unless the context otherwise indicates, words expressed in the singular includes the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and includes the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and do not affect the meaning, construction or effect hereof.

(c) All references herein to “Articles,” “Sections” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Lease; the words “herein,” “hereof,” “hereby,” “hereunder” and other words of similar import refer to this Lease as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE II

COVENANTS, REPRESENTATIONS AND WARRANTIES

SECTION 2.1. *Covenants, Representations and Warranties of the City.* The City makes the following covenants, representations and warranties to the Authority, the Trustee as of the date of the execution and delivery of this Lease:

(a) Due Organization and Existence. The City is a general law city and municipal corporation duly organized and validly existing under the Constitution and laws of the State of California, has full legal right, power and authority under the laws of the State of California to enter into the Site Lease and this Lease and to carry out and consummate all transactions contemplated hereby, and by proper action the City has duly authorized the execution and delivery of the Site Lease and this Lease.

(b) Due Execution. The representatives of the City executing the Site Lease and this Lease have been fully authorized to execute the same under a resolution duly adopted by the City Council of the City.

(c) Valid, Binding and Enforceable Obligations. The Site Lease and this Lease have been duly authorized, executed and delivered by the City and constitute the legal, valid and binding obligations of the City enforceable against the City in accordance with their respective terms.

(d) No Conflicts. The execution and delivery of the Site Lease and this Lease, the consummation of the transactions therein and herein contemplated and the fulfillment of or compliance with the terms and conditions thereof and hereof, do not and will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, lease, contract or other agreement or instrument to which the City is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the City, which conflict, violation, breach, default, lien, charge or encumbrance would have consequences that would materially and adversely affect the consummation of the transactions contemplated by the Site Lease and this Lease or the financial condition, assets, properties or operations of the City.

(e) Consents and Approvals. No consent or approval of any trustee or holder of any indebtedness of the City or of the voters of the City, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority is necessary in connection with the execution and delivery of the Site Lease and

this Lease, or the consummation of any transaction therein and herein contemplated, except as have been obtained or made and as are in full force and effect.

(f) No Litigation. There is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, municipal or other governmental authority pending or, to the knowledge of the City after reasonable investigation, threatened against or affecting the City or the assets, properties or operations of the City which, if determined adversely to the City or its interests, would have a material and adverse effect upon the consummation of the transactions contemplated by or the validity of the Site Lease and this Lease, or upon the financial condition, assets, properties or operations of the City, and the City is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other governmental authority, which default might have consequences that would materially and adversely affect the consummation of the transactions contemplated by the Site Lease and this Lease or the financial conditions, assets, properties or operations of the City.

SECTION 2.2. *Covenants, Representations and Warranties of the Authority.* The Authority makes the following covenants, representations and warranties to the City, the Trustee as of the date of the execution and delivery of this Lease:

(a) Due Organization and Existence. The Authority is a joint exercise of powers authority duly organized and existing under a joint powers agreement and the laws of the State of California; has power to enter into this Lease, the Site Lease, the Assignment Agreement and the Indenture; is possessed of full power to own and hold, improve and equip real and personal property, and to lease the same; and has duly authorized the execution and delivery of each of the aforesaid agreements and such agreements constitute the legal, valid and binding obligations of the Authority, enforceable against the Authority in accordance with their respective terms.

(b) Due Execution. The representatives of the Authority executing this Lease, the Site Lease, the Assignment Agreement and the Indenture are fully authorized to execute the same pursuant to official action taken by the governing body of the Authority.

(c) Valid, Binding and Enforceable Obligations. This Lease, the Site Lease, the Assignment Agreement and the Indenture have been duly authorized, executed and delivered by the Authority and constitute the legal, valid and binding agreements of the Authority, enforceable against the Authority in accordance with their respective terms.

(d) No Conflicts. The execution and delivery of this Lease, the Site Lease, the Assignment Agreement and the Indenture, the consummation of the transactions herein and therein contemplated

and the fulfillment of or compliance with the terms and conditions hereof, do not and will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, lease, contract or other agreement or instrument to which the Authority is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Authority, which conflict, violation, breach, default, lien, charge or encumbrance would have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Lease, the Site Lease, the Assignment Agreement and the Indenture or the financial condition, assets, properties or operations of the Authority.

(e) Consents and Approvals. No consent or approval of any trustee or holder of any indebtedness of the Authority, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority is necessary in connection with the execution and delivery of this Lease, the Site Lease, the Assignment Agreement or the Indenture, or the consummation of any transaction herein or therein contemplated, except as have been obtained or made and as are in full force and effect.

(f) No Litigation. There is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, municipal or other governmental authority pending or, to the knowledge of the Authority after reasonable investigation, threatened against or affecting the Authority or the assets, properties or operations of the Authority which, if determined adversely to the Authority or its interests, would have a material and adverse effect upon the consummation of the transactions contemplated by or the validity of this Lease, the Site Lease, the Assignment Agreement or the Indenture, or upon the financial condition, assets, properties or operations of the Authority, and the Authority is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other governmental authority, which default might have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Lease, the Site Lease, the Assignment Agreement or the Indenture or the financial conditions, assets, properties or operations of the Authority.

ARTICLE III

DEPOSIT AND APPLICATION OF FUNDS; SUBSTITUTION AND RELEASE OF PROPERTY

SECTION 3.1. *Deposit of Moneys; Acquisition and Construction of the Project .*

(a) Deposit of Bond Proceeds. On the Closing Date, the Authority will cause the proceeds of sale of the 2024 Bonds to be deposited with the Trustee. The Trustee shall deposit such proceeds in accordance with Section 3.02 of the Indenture.

(b) Acquisition and Construction of the Project. The Authority hereby appoints the City as its agent to carry out all phases of the acquisition and construction of the Project under and in accordance with the provisions hereof. The City hereby accepts its appointment as agent of the Authority and assumes all rights, liabilities, duties and responsibilities of the Authority regarding the acquisition and construction of the Project. The City, as agent of the Authority hereunder, shall enter into, administer and enforce all purchase orders or other contracts relating to the acquisition and construction of the Project. The City shall requisition the payment of Project Costs from amounts held by the Trustee in the Project Fund, pursuant to and in accordance with Section 3.04 of the Indenture. All contracts for, and all work relating to, the acquisition and construction of the Project are subject to all applicable provisions of law relating to the acquisition, construction, improvement, and equipping of like facilities and property by the City.

As agent of the Authority, the City hereby agrees to supervise and provide for, or cause to be supervised and provided for, the acquisition and construction of the Project in accordance with the plans and specifications, purchase orders, construction contracts and other documents relating thereto and approved by the City under all applicable requirements of law.

SECTION 3.2. *Substitution of Property.* The City has the option at any time and from time to time, to substitute other real property (the "**Substitute Property**") for the Leased Property or any portion thereof (the "**Former Property**"), upon satisfaction of all of the following requirements which are hereby declared to be conditions precedent to such substitution:

(a) No Event of Default has occurred and is continuing, as certified in writing by the City.

(b) The City has filed with the Authority and the Trustee, and caused to be recorded in the office of the San Joaquin County Recorder sufficient memorialization of an amendment hereof that adds the legal description of the Substitute Property to Appendix A and deletes therefrom the legal description of the Former Property, and has filed and caused to be recorded corresponding amendments to the Site Lease and Assignment Agreement.

(c) The City has obtained a CLTA policy of title insurance insuring the City's leasehold estate hereunder in the Substitute Property, subject

only to Permitted Encumbrances, in an amount at least equal to the estimated value thereof.

(d) The City has certified in writing to the Authority and the Trustee that the Substitute Property serves the municipal purposes of the City and constitutes property which the City is permitted to lease under the laws of the State of California, and has been determined to be essential to the proper, efficient and economic operation of the City and to serve an essential governmental function of the City.

(e) The Substitute Property does not cause the City to violate any of its covenants, representations and warranties made herein, as certified in writing by the City.

(f) The City has filed with the Authority and the Trustee a written certificate of the City or other written evidence stating that the useful life of the Substitute Property at least extends to November 1, _____, that the estimated value of the Leased Property, after substitution of the Substitute Property and release of the Former Property, is at least equal to the aggregate Outstanding principal amount of the Bonds, and the fair rental value of the Leased Property, after substitution of the Substitute Property and release of the Former Property, is at least equal to the Lease Payments thereafter coming due and payable hereunder.

(g) The City has mailed written notice of such substitution to each rating agency which then maintains a rating on the Bonds.

Upon the satisfaction of all such conditions precedent, the Term of this Lease will thereupon end as to the Former Property and commence as to the Substitute Property, and all references to the Former Property will apply with full force and effect to the Substitute Property. The City is not entitled to any reduction, diminution, extension or other modification of the Lease Payments whatsoever as a result of any substitution of property under this Section. The Authority and the City will execute, deliver and cause to be recorded all documents required to discharge the Site Lease, this Lease and the Assignment Agreement of record against the Former Property and to cause the Substitute Property to become subject to all of the terms and conditions of the Site Lease, this Lease and the Assignment Agreement.

SECTION 3.3. *Release of Property.* The City has the option at any time and from time to time to release any portion of the Leased Property from this Lease (the "**Released Property**") provided that the City has satisfied all of the following requirements which are hereby declared to be conditions precedent to such release:

(a) No Event of Default has occurred and is continuing, as certified in writing by the City.

(b) The City has filed with the Authority and the Trustee, and caused to be recorded in the office of the San Joaquin County Recorder sufficient memorialization of an amendment hereof, the Site Lease and the Assignment Agreement which removes the Released

Property from the Site Lease, the Assignment Agreement and this Lease.

(c) The City has certified in writing to the Authority and the Trustee that the value of the property which remains subject to this Lease following such release is at least equal to the aggregate Outstanding principal amount of the Bonds, and the fair rental value of the property which remains subject to this Lease following such release is at least equal to the Lease Payments thereafter coming due and payable hereunder.

(d) The City has mailed written notice of such release to each rating agency which then maintains a rating on the Bonds.

Upon delivery by the City of a Completion Certificate to the Trustee, the City shall be entitled to release all of the assets then constituting the Leased Property from this Lease Agreement and the Site Lease except the real property and improvements constituting El Pescadero Park (including the multi-generational recreation center).

Upon the satisfaction of all such conditions precedent, the Term of this Lease will thereupon end as to the Released Property. The City is not entitled to any reduction, diminution, extension or other modification of the Lease Payments whatsoever as a result of such release. The Authority and the City shall execute, deliver and cause to be recorded all documents required to discharge the Site Lease, this Lease and the Assignment Agreement of record against the Released Property.

SECTION 3.4. *Addition of Property.* The City may, at any time it deems it necessary or advisable, amend this Lease, and enter into any necessary or advisable site or ground lease, to add additional property to the property originally leased hereunder.

If the addition to the Leased Property (the "**Addition**") is being done in connection with the issuance of Additional Bonds, the following requirements shall apply:

(a) The City shall have certified in writing to the Authority and the Trustee that (i) the Addition serves the purposes of the City and constitutes property which the City is permitted to lease under the laws of the State of California, and has been determined to be essential to the proper, efficient and economic operation of the City and to serve an essential governmental function of the City, (ii) the useful life of the Addition at least extends to November 1, ____ or such later date specified in Section 4.2, (iii) the estimated value of the Leased Property (including the Addition) is at least equal to the aggregate Outstanding principal amount of the Bonds, and (iv) the fair rental value of the Leased Property (including the Addition) is at least equal to the Lease Payments thereafter coming due and payable hereunder. For the purposes of the certification described in clause (iv), the City may, if necessary to make such certification, assume completion of construction of the Addition if the Addition is being constructed with proceeds of the Additional Bonds and the Addition is not yet complete as long as capitalized interest has been deposited in accordance with Section 2.08(g) of the Indenture.

(b) The City shall have delivered to the Authority and the Trustee an Opinion of Bond Counsel to the effect that the amendment hereto has been duly authorized, executed and delivered and the Lease as so amended represents a valid and binding obligation of the City and the Authority and that the Addition will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes.

(c) The City shall cause to be recorded in the Office of the San Joaquin County Recorder sufficient memorialization of an amendment hereof that adds the legal description of the Addition to Appendix A, and has filed and caused to be recorded corresponding amendments to the Site Lease and Assignment Agreement.

(d) The City shall have delivered to the Authority and the Trustee a CLTA standard form policy of title insurance in substantially the same form as delivered in connection with the issuance and delivery of the Bonds in at least the amount of the aggregate principal amount of outstanding Bonds at the time of the Addition insuring the City's leasehold interest in the Addition to the Leased Property hereunder, together with an endorsement thereto making such policy payable to the Trustee for the benefit of the Owners, and also together with a certificate of the City to the effect that the exceptions, if any, contained in such policy do not interfere with the beneficial use and occupancy of the Leased Property by the City.

(e) The City shall have delivered to the Authority and the Trustee a copy of a written notice that the City mailed to each rating agency then rating the Bonds notifying the rating agency of the Addition.

Upon the satisfaction of all such conditions precedent, the Term of this Lease will thereupon commence as to the Addition, and all references to the Leased Property will apply with full force and effect to the Addition.

SECTION 3.5. *Amendment of Site Lease and Assignment Agreement.* The Authority and the City shall amend the Site Lease and the Assignment Agreement as necessary in order to accomplish any Substitution, Release or Addition of property pursuant to this Article III.

ARTICLE IV

LEASE OF LEASED PROPERTY; TERM OF THIS LEASE; LEASE PAYMENTS

SECTION 4.1. *Lease of Leased Property.* The Authority hereby leases the Leased Property to the City and the City hereby leases the Leased Property from the Authority, upon the terms and conditions set forth in this Lease.

SECTION 4.2. *Term*. The Term of this Lease commences on the Closing Date and ends on the date on which the Indenture is discharged in accordance with Article X thereof, but under any circumstances not later than November 1, _____, or if Additional Bonds have been issued under the Indenture, the day that is 10 years after the final

maturity date of Additional Bonds (if later than November 1, _____). The provisions of this Section are subject to the provisions of Sections 6.2 and 6.3 relating to the taking in eminent domain, damage and destruction of the Leased Property in whole or in part and interference with completion of construction of the Project.

SECTION 4.3. *Lease Payments.*

(a) Obligation to Pay. Subject to the provisions of Sections 6.2 and 6.3 and the provisions of Article IX, the City agrees to pay to the Authority, its successors and assigns, the Lease Payments in the respective amounts specified in Appendix B attached to this Lease, to be due and payable in immediately available funds on the Interest Payment Dates immediately following each of the respective Lease Payment Dates specified in Appendix B (as it may be amended in connection with the issuance of Additional Bonds), and to be deposited by the City with the Trustee on each of the Lease Payment Dates specified in Appendix B (as it may be amended in connection with the issuance of Additional Bonds). Any amount held in the Bond Fund, the Interest Account and the Principal Account on any Lease Payment Date (other than amounts resulting from the prepayment of the Lease Payments in part but not in whole under Article IX, and amounts required for payment of past due principal or interest on any Bonds not presented for payment) will be credited towards the Lease Payment then required to be paid hereunder. The City is not required to deposit any Lease Payment with the Trustee on any Lease Payment Date if the amounts then held in the Bond Fund, the Interest Account and the Principal Account are at least equal to the Lease Payment then required to be deposited with the Trustee. The Lease Payments payable in any Rental Period are for the use of the Leased Property during that Rental Period.

(b) Effect of Prepayment. If the City prepays all Lease Payments in full under Sections 9.2 or 9.3, the City's obligations under this Section will thereupon cease and terminate. If the City prepays the Lease Payments in part but not in whole under Sections 9.2 or 9.3, the principal components of the remaining Lease Payments will be reduced in integral multiples of $5,000 among Lease Payment Dates on a basis which corresponds to the principal maturities of the Bonds which are redeemed thereby; and the interest component of each remaining Lease Payment will be reduced by the aggregate corresponding amount of interest which would otherwise be payable with respect to the Bonds thereby redeemed under Section 4.01 of the Indenture.

(c) Rate on Overdue Payments. If the City fails to make any of the payments required in this Section, the payment in default will continue as an obligation of the City until the amount in default has been fully paid, and the City agrees to pay the same with interest thereon, from the date of default to the date of payment at the highest rate of interest on any Outstanding Bond.

(d) Fair Rental Value. The aggregate amount of the Lease Payments and Additional Rental Payments coming due and payable during each Rental Period constitute the total rental for the Leased Property for such Rental Period, and are payable by the City in each Rental Period for and in consideration of the right of the use and occupancy of, and the continued quiet use and enjoyment of, the Leased Property during each Rental Period. The parties hereto have agreed and determined that the total Lease Payments represent the fair rental value of the Leased Property. In making that determination, consideration has been given to the estimated value of the Leased Property, other obligations of the City and the Authority under this Lease, the uses and

purposes which may be served by the Leased Property and the benefits therefrom which will accrue to the City and the general public.

(e) Assignment. The City understands and agrees that all Lease Payments have been assigned by the Authority to the Trustee in trust, under the Assignment Agreement, for the benefit of the Owners of the Bonds, and the City hereby assents to such assignment. The Authority hereby directs the City, and the City hereby agrees to pay to the Trustee at its Office, all payments payable by the City under this Section and all amounts payable by the City under Article IX.

SECTION 4.4. *Source of Payments; Covenant to Budget and Appropriate.* The Lease Payments are payable from any source of available funds of the City, subject to the provisions of Section 6.3. The City covenants to take all actions required to include the Lease Payments in each of its budgets during the Term of this Lease and to make the necessary appropriations for all Lease Payments and Additional Rental Payments. The foregoing covenant of the City constitutes a duty imposed by law and each and every public official of the City is required to take all actions required by law in the performance of the official duty of such officials to enable the City to carry out and perform the covenants and agreements in this Lease agreed to be carried out and performed by the City.

SECTION 4.5. *Additional Rental Payments*. In addition to the Lease Payments, the City shall pay when due the following amounts of Additional Rental Payments in consideration of the lease of the Leased Property by the City from the Authority hereunder:

(a) all fees and expenses incurred by the Authority in connection with or by reason of its leasehold estate in the Leased Property, when due,

(b) all reasonable compensation to the Trustee for all services rendered under the Indenture and for all reasonable expenses, charges, costs, liabilities, legal fees and other disbursements incurred in and about the performance of its powers and duties under the Indenture,

(c) the reasonable fees and expenses of such accountants, consultants, attorneys and other experts as may be engaged by the Authority or the Trustee to prepare audits, financial statements, reports, opinions or provide such other services required under this Lease or the Indenture,

(d) amounts coming due and payable as Excess Investment Earnings in accordance with Section 7.6(e), and

(e) the reasonable out-of-pocket expenses of the Authority in connection with the execution and delivery of this Lease or the Indenture, or in connection with the issuance of the Bonds, including but not limited to any and all expenses incurred in connection with the authorization, sale and delivery of the Bonds, or incurred by the Authority in connection with any litigation which may at any time be instituted involving this Lease, the Bonds, the Indenture or any of

the other documents contemplated hereby or thereby, or otherwise incurred in connection with the administration of this Lease.

SECTION 4.6. *Quiet Enjoyment.* Throughout the Term of this Lease, the Authority shall provide the City with quiet use and enjoyment of the Leased Property and the City will peaceably and quietly have and hold and enjoy the Leased Property, without suit, trouble or hindrance from the Authority, except as expressly set forth in this Lease. The Authority will, at the request of the City and at the City's cost, join in any legal action in which the City asserts its right to such possession and enjoyment to the extent the Authority may lawfully do so. Notwithstanding the foregoing, the Authority has the right to inspect the Leased Property as provided in Section 7.2.

SECTION 4.7. *Title.* Upon the termination of this Lease (other than under Section 8.2(b) hereof), all right, title and interest of the Authority in and to the Leased Property transfers to and vests in the City. The Authority shall take any and all steps and execute and record any and all documents reasonably required by the City to consummate any such transfer of title.

ARTICLE V

MAINTENANCE; TAXES; INSURANCE; AND OTHER MATTERS

SECTION 5.1. *Maintenance, Utilities, Taxes and Assessments.* Throughout the Term of this Lease, as part of the consideration for the rental of the Leased Property, all improvement, repair and maintenance of the Leased Property are the responsibility of the City, and the City will pay for or otherwise arrange for the payment of all utility services supplied to the Leased Property, which may include, without limitation, janitor service, security, power, gas, telephone, light, heating, water and all other utility services, and will pay for or otherwise arrange for the payment of the cost of the repair and replacement of the Leased Property resulting from ordinary wear and tear or want of care on the part of the City or any assignee or sublessee thereof. In exchange for the Lease Payments herein provided, the Authority agrees to provide only the Leased Property. The City waives the benefits of subsections 1 and 2 of Section 1932, Section 1933(4) and Sections 1941 and 1942 of the California Civil Code, but such waiver does not limit any of the rights of the City under the terms of this Lease.

The City shall also pay or cause to be paid all taxes and assessments of any type or nature, if any, charged to the Authority or the City affecting the Leased Property or the respective interests or estates therein; provided that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the City shall pay only such installments as are required to be paid during the Term of this Lease as and when the same become due.

The City may, at its expense and in its name, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Authority notifies the City that, in its reasonable opinion, by nonpayment of any such items the interest of the Authority in the Leased Property will be materially endangered or the Leased Property or

any part thereof will be subject to loss or forfeiture, in which event the City shall promptly pay such taxes, assessments or charges or provide the Authority with full security against any loss which may result from nonpayment, in form satisfactory to the Authority and the Trustee.

SECTION 5.2. *Modification of Leased Property.* The City has the right, at its own expense, to make additions, modifications and improvements to the Leased Property or any portion thereof. All additions, modifications and improvements to the Leased Property will thereafter comprise part of the Leased Property and become subject to the provisions of this Lease. Such additions, modifications and improvements may not in any way damage the Leased Property, or cause the Leased Property to be used for purposes other than those authorized under the provisions of state and federal law; and the Leased Property, upon completion of any additions, modifications and improvements made thereto under this Section, must be of a value which is not substantially less than the value thereof immediately prior to the making of such additions, modifications and improvements. The City will not permit any mechanic's or other lien to be established or remain against the Leased Property for labor or materials furnished in connection with any remodeling, additions, modifications, improvements, repairs, renewals or replacements made by the City under this Section; except that if any such lien is established and the City first notifies or causes to be notified the Authority of the City's intention to do so, the City may in good faith contest any lien filed or established against the Leased Property, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom and shall provide the Authority with full security against any loss or forfeiture which might arise from the nonpayment of any such item, in form satisfactory to the Authority. The Authority will cooperate fully in any such contest, upon the request and at the expense of the City.

SECTION 5.3. *Liability and Property Damage Insurance.* The City shall maintain or cause to be maintained throughout the Term of this Lease, but only if and to the extent available from reputable insurers at reasonable cost in the reasonable opinion of the City, a standard commercial general liability insurance policy or policies in protection of the Authority, the City, and their respective members, officers, agents, employees and assigns. Said policy or policies shall provide for indemnification of said parties against direct or contingent loss or liability for damages for bodily and personal injury, death or property damage occasioned by reason of the operation of the Leased Property. Such policy or policies shall provide coverage in such liability limits and be subject to such deductibles as the City deems adequate and prudent. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the City, and may be maintained in whole or in part in the form of self-insurance by the City, subject to the provisions of Section 5.7, or in the form of the participation by the City in a joint powers agency or other program providing pooled insurance. The proceeds of such liability insurance must be applied toward extinguishment or satisfaction of the liability with respect to which paid.

SECTION 5.4. *Property Insurance.* The City shall procure and maintain, or cause to be procured and maintained, throughout the Term of this Lease, property insurance against loss or damage to all insurable improvements situated on the Leased Property, in an amount at least equal to the lesser of (a) 100% of the replacement value of the insured improvements, or (b) 100% of the aggregate principal amount of the Outstanding Bonds. Such insurance must, as nearly as practicable, cover loss or damage by

explosion, windstorm, riot, aircraft, vehicle damage, smoke and such other hazards as are normally covered by such insurance, and does not need to cover loss or damage from earthquakes. Such insurance may be subject to such deductibles as the City deems adequate and prudent. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the City, and may be maintained in whole or in part in the form of the participation by the City in a joint powers agency or other program providing pooled insurance; provided that such insurance may not be maintained by the City in the form of self-insurance. The Net Proceeds of such insurance must be applied as provided in Section 6.1.

SECTION 5.5. *Rental Interruption Insurance.* The City shall procure and maintain, or cause to be procured and maintained, throughout the Term of this Lease, rental interruption or use and occupancy insurance to cover loss, total or partial, of the use of any portion of the Leased Property constituting buildings or other improvements as a result of any of the hazards covered in the insurance required by Section 5.4, in an amount at least equal to the maximum such Lease Payments coming due and payable during any consecutive two Fiscal Years. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the City, and may be maintained in whole or in part in the form of the participation by the City in a joint powers agency or other program providing pooled insurance; provided that such insurance may not be maintained by the City in the form of self-insurance. The Net Proceeds of such insurance, if any, must be paid to the Trustee and deposited in the Bond Fund, to be applied as a credit towards the payment of the Lease Payments allocable to the insured improvements as the same become due and payable.

SECTION 5.6. *Recordation Hereof; Title Insurance.* On or before the Closing Date the City shall, at its expense, (a) cause the Site Lease, the Assignment Agreement and this Lease, or a memorandum hereof or thereof in form and substance approved by Bond Counsel, to be recorded in the office of the San Joaquin County Recorder, and (b) obtain a CLTA title insurance policy insuring the City's leasehold estate hereunder in the Leased Property, subject only to Permitted Encumbrances, in an amount at least equal to the aggregate principal amount of the Bonds. All Net Proceeds received under any such title insurance policy must be deposited with the Trustee in the Bond Fund to be credited towards the prepayment of the remaining Lease Payments under Section 9.3.

SECTION 5.7. *Insurance Net Proceeds; Form of Policies.* Each policy of insurance maintained under Sections 5.4, 5.5 and 5.6 must name the Trustee as loss payee so as to provide that all proceeds thereunder are payable to the Trustee. The City shall pay or cause to be paid when due the premiums for all insurance policies required by this Lease. All such policies shall provide that the Trustee is given 30 days' notice of each expiration, any intended cancellation thereof or reduction of the coverage provided thereby. The City must file with the Trustee annually, within 90 days following the close of each Fiscal Year, a certificate of the City stating that all policies of insurance required hereunder are then in full force and effect. The Trustee has no responsibility for the sufficiency, adequacy or amount of any insurance or self-insurance herein required and is fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss.

If any insurance maintained under Section 5.3 is provided in the form of self-insurance, the City must file with the Trustee annually, within 90 days following the close

of each Fiscal Year, a statement of the risk manager of the City or an independent insurance adviser engaged by the City identifying the extent of such self-insurance and stating the determination that the City maintains sufficient reserves with respect thereto. If any such insurance is provided in the form of self-insurance by the City, the City has no obligation to make any payment with respect to any insured event except from those reserves.

SECTION 5.8. *Installation of City's Personal Property.* The City may at any time and from time to time, in its sole discretion and at its own expense, install or permit to be installed other items of equipment or other personal property in or upon the Leased Property. All such items shall remain the sole property of the City, in which neither the Authority nor the Trustee has any interest, and may be modified or removed by the City at any time, provided that the City must repair all damage to the Leased Property resulting from the installation, modification or removal of any such items. Nothing in this Lease prevents the City from purchasing or leasing items to be installed under this Section under a lease or conditional sale agreement, or subject to a vendor's lien or security agreement, as security for the unpaid portion of the purchase price thereof, so long as no such lien or security interest attaches to any part of the Leased Property.

SECTION 5.9. *Liens.* The City may not, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Leased Property, other than as herein contemplated and except for such encumbrances as the City certifies in writing to the Trustee do not materially and adversely affect the leasehold estate of the City in the Leased Property hereunder. If any such mortgage, pledge, lien, charge, encumbrance or claim does materially and adversely affect the leasehold estate of the City in the Leased Property hereunder, the City will promptly, at its own expense, take such action as may be necessary to duly discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim, for which it is responsible; provided that the City is not required to do so prior to the time when such mortgage, pledge, lien, charge, encumbrance or claim actually causes such material adverse effect. The City will reimburse the Authority for any expense incurred by it in order to discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim.

SECTION 5.10. *Advances.* If the City fails to perform any of its obligations under this Article V, the Authority may (but is not required to) take such action as it deems necessary to cure such failure, including the advancement of money, and the City shall repay all such advances as Additional Rental Payments hereunder, with interest at the rate set forth in Section 4.3(c).

ARTICLE VI

DAMAGE, DESTRUCTION AND EMINENT DOMAIN; USE OF NET PROCEEDS

SECTION 6.1. *Application of Net Proceeds.* The Trustee, as assignee of the Authority under the Assignment Agreement, has the right to receive all Net Proceeds. As provided in the Indenture, the Trustee will deposit all Net Proceeds in the Insurance and Condemnation Fund to be applied as set forth in Section 5.07 of the Indenture.

SECTION 6.2. *Termination or Abatement Due to Eminent Domain.* If the Leased Property is taken permanently under the power of eminent domain or sold to a government threatening to exercise the power of eminent domain, the Term of this Lease thereupon ceases as of the day possession is taken. If less than all of the Leased Property is taken permanently, or if the Leased Property is taken temporarily, under the power of eminent domain, then:

(a) this Lease shall continue in full force and effect with respect thereto and does not terminate by virtue of such taking, and the parties waive the benefit of any law to the contrary; and

(b) the Lease Payments are subject to abatement in an amount determined by the City such that the resulting Lease Payments represent fair consideration for the use and occupancy of the remaining usable portions of the Leased Property.

SECTION 6.3. *Abatement Due to Damage or Destruction.* The Lease Payments are subject to abatement during any period in which by reason of damage or destruction (other than by eminent domain which is hereinbefore provided for) there is substantial interference with the use and occupancy by the City of the Leased Property or any portion thereof. The Lease Payments are subject to abatement in an amount determined by the City such that the resulting Lease Payments represent fair consideration for the use and occupancy of the remaining usable portions of the Leased Property not damaged or destroyed. Such abatement will continue for the period commencing with such damage or destruction and ending with the substantial completion of the work of repair or reconstruction. In the event of any such damage or destruction, this Lease continues in full force and effect and the City waives any right to terminate this Lease by virtue of any such damage and destruction. Notwithstanding the foregoing, there shall be no abatement of Lease Payments under this Section 6.3 to the extent that the proceeds of hazard insurance or rental interruption insurance are available to pay Lease Payments which would otherwise be abated under this Section 6.3, it being hereby declared that such proceeds constitute a special fund for the payment of the Lease Payments.

SECTION 6.4. *Abatement Due to Non-Completion of the Project.* The Lease Payments are subject to abatement during any period prior to the issuance of a certificate of occupancy for the Project, if it constitutes all or a portion of the Leased Property, if there is substantial interference with the use and occupancy by the City of the Leased Property or any portion thereof. The Lease Payments are subject to abatement in an amount determined by the City such that the resulting Lease Payments

represent fair consideration for the use and occupancy of the usable portions of the Leased Property. Such abatement will continue for the period commencing with the substantial interference with the use and occupancy of the Leased Property and ending with the substantial completion of the Project. In the event of any such interference with use and occupancy during construction of the Project, this Lease continues in full force and effect and the City waives any right to terminate this Lease by virtue of any substantial interference.

ARTICLE VII

OTHER COVENANTS OF THE CITY

SECTION 7.1. *Disclaimer of Warranties.* THE AUTHORITY AND THE TRUSTEE MAKE NO AGREEMENT, WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY THE CITY OF THE LEASED PROPERTY OR ANY PORTION THEREOF, OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE LEASED PROPERTY OR ANY PORTION THEREOF. THE CITY ACKNOWLEDGES THAT THE AUTHORITY IS NOT A MANUFACTURER OF ANY PORTION OF THE LEASED PROPERTY OR A DEALER THEREIN, THAT THE CITY LEASES THE LEASED PROPERTY AS-IS, IT BEING AGREED THAT ALL OF THE AFOREMENTIONED RISKS ARE TO BE BORNE BY THE CITY. The Authority has no liability for incidental, indirect, special or consequential damages, in connection with or arising out of this Lease for the existence, furnishing, functioning or use of the Leased Property by the City.

SECTION 7.2. *Access to the Leased Property.* The City agrees that the Authority and any Authorized Representative of the Authority, and the Authority's successors or assigns, have the right at all reasonable times to enter upon and to examine and inspect the Leased Property or any part thereof. The City further agrees that the Authority, any Authority Representative and the Authority's successors or assigns may have such rights of access to the Leased Property or any component thereof as reasonably necessary to cause the proper maintenance of the Leased Property if the City fails to perform its obligations hereunder; *provided, however,* that neither the Authority nor any of its assigns has any obligation to cause such proper maintenance.

SECTION 7.3. *Release and Indemnification Covenants.* The City agrees to indemnify the Authority, the Trustee and their respective officers, agents, successors and assigns, against all claims, losses and damages, including legal fees and expenses, arising out of any of the following:

(a) the use, maintenance, condition or management of, or from any work or thing done on the Leased Property by the City,

(b) any breach or default on the part of the City in the performance of any of its obligations under this Lease,

(c) any negligence or willful misconduct of the City or of any of its agents, contractors, servants, employees or licensees with respect to the Leased Property,

(d) any intentional misconduct or negligence of any sublessee of the City with respect to the Leased Property,

(e) the acquisition, construction, improvement and equipping of the Leased Property, or the authorization of payment of the costs thereof, or

(f) the acceptance and performance of the duties of the Trustee under the Indenture, the Assignment Agreement and under this Lease.

No indemnification is made under this Section or elsewhere in this Lease for willful misconduct or negligence under this Lease by the Authority, the Trustee or their respective officers, agents, employees, successors or assigns.

SECTION 7.4. *Assignment and Subleasing by the City.* The City may sublease the Leased Property, or any portion thereof, subject to all of the following conditions:

(a) this Lease and the obligation of the City to make Lease Payments hereunder must remain obligations of the City, as certified in writing by the City;

(b) the City must, within 30 days after the delivery thereof, furnish or cause to be furnished to the Authority and the Trustee a true and complete copy of such sublease;

(c) no such sublease by the City may cause the Leased Property to be used for a purpose which is not authorized under the provisions of the laws of the State of California, as certified in writing by the City; and

(d) the City must furnish to the Authority and the Trustee a written opinion of Bond Counsel stating that such sublease does not cause the interest on the Bonds to become included in gross income for purposes of federal income taxation or to become subject to personal income taxation by the State of California.

SECTION 7.5. *Amendment Hereof.* The Authority and the City may at any time amend or modify any of the provisions of this Lease, but only: (a) with the prior written consents of the Owners of a majority in aggregate principal amount of the Outstanding Bonds; or (b) without the consent of the Trustee or any of the Bond Owners, but only if such amendment or modification is for any one or more of the following purposes:

(i) to add to the covenants and agreements of the City contained in this Lease, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or power herein reserved to or conferred upon the City;

(ii) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained herein, to conform to the original intention of the City and the Authority;

(iii) to modify, amend or supplement this Lease in such manner as to assure that the interest on the Bonds remains excluded from gross income under the Tax Code;

(iv) to amend the description of the Leased Property to reflect accurately the property originally intended to be included therein, or in connection with any substitution or release of property under Sections 3.2 or 3.3;

(v) in the event of the issuance of Additional Bonds in order to obligate the City to pay additional amounts of Lease Payments such that the scheduled amount of Lease Payments payable after such amendment shall be sufficient to pay the principal of and interest on the 2024 Bonds and such Additional Bonds but only if (A) the City has certified to the Trustee that the estimated value of the Leased Property is at least equal to the aggregate Outstanding principal amount of the Bonds and the fair rental value of the Leased Property is at least equal to the Lease Payments thereafter coming due and payable hereunder (for the purposes of the certification described in this clause (A), the City may, if necessary to make such certification, assume completion of construction of the project being financed by the Additional Bonds if such project is all or a portion of the Leased Property as long as either (1) capitalized interest has been deposited in accordance with Section 2.08(g) of the Indenture or (2) the City has made a finding that the fair rental value of the Leased Property prior to the completion of the project is equal to or greater than the aggregate amount of the Lease Payments and Additional Rental Payments coming due and payable during each Rental Period), and (B) the City has filed with the Trustee written evidence that the amendments made under this clause (v) will not of themselves cause a reduction or withdrawal of any rating then assigned to the then-outstanding Bonds; or

(vi) in any other respect whatsoever as the Authority and the City deem necessary or desirable, if in the opinion of Bond Counsel such modifications or amendments do not materially adversely affect the interests of the Owners of the Bonds.

No such modification or amendment may (a) extend or have the effect of extending any Lease Payment Date or reducing any Lease Payment or any premium payable upon the prepayment thereof, without the express consent of the Owners of the affected Bonds, or (b) modify any of the rights or obligations of the Trustee without its written assent thereto. If the Trustee's consent to such modification or amendment is required, the Trustee shall be entitled to the same documents as it would be entitled to under Article IX of the Indenture for such type of modification or amendment.

SECTION 7.6. *Tax Covenants Relating to the 2024 Bonds*.

(a) Private Business Use Limitation. The City shall assure that the proceeds of the 2024 Bonds are not used in a manner which would cause the 2024 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 Tax Code.

(b) Federal Guarantee Prohibition. The City may not take any action or permit or suffer any action to be taken if the result of the same would be to cause the 2024 Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Tax Code.

(c) No Arbitrage. The City may not take, or permit or suffer to be taken by the Trustee or otherwise, any action with respect to the proceeds of the 2024 Bonds or of any other obligations which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the Closing Date, would have caused the 2024 Bonds to be "arbitrage bonds" within the meaning of Section 148(a) of the Tax Code.

(d) Maintenance of Tax Exemption. The City shall take all actions necessary to assure the exclusion of interest on the 2024 Bonds from the gross income of the Owners of the 2024 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 Closing Date.

(e) Rebate of Excess Investment Earnings to United States. The City shall calculate or cause to be calculated the Excess Investment Earnings in all respects at the times and in the manner required under the Tax Code. The City shall pay the full amount of Excess Investment Earnings to the United States of America in such amounts, at such times and in such manner as may be required under the Tax Code. Such payments shall be made by the City from any source of legally available funds of the City, and shall constitute Additional Rental Payments hereunder.

The City shall keep or cause to be kept, and retain or cause to be retained for a period of six years following the retirement of the 2024 Bonds, records of the determinations made under this subsection (e). In order to provide for the administration of this subsection (e), the City may provide for the employment of independent attorneys, accountants and consultants compensated on such reasonable basis as the City may deem appropriate. The Trustee has no duty or obligation to monitor or enforce compliance by the City of any of the requirements under this subsection (e).

(f) Record-Keeping. The City will retain its records of all accounting and monitoring it carries out with respect to the 2024 Bonds for at least 3 years after the 2024 Bonds mature or are redeemed (whichever is earlier); however, if the 2024 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 2024 Bonds.

(g) Compliance with Tax Certificate. The City will comply with the provisions of the Certificate as to Arbitrage and the Use of Proceeds Certificate with respect to the 2024 Bonds, which are incorporated herein as if fully set forth herein. The covenants of this subsection will survive payment in full or defeasance of the 2024 Bonds.

SECTION 7.7. *Continuing Disclosure*. The City shall comply with and carry out all of the provisions of the Continuing Disclosure Certificate executed by the City as of the Closing Date, as originally executed and as it may be amended from time to time in accordance with its terms. Notwithstanding any other provision of this Lease, failure of the City to comply with such Continuing Disclosure Certificate will not constitute an Event of Default, although any Participating Underwriter (as that term is defined in such Continuing Disclosure Certificate) or any Owner or beneficial owner of the Bonds may take such actions as may be necessary and appropriate to compel performance by the City of its obligations under this Section, including seeking mandate or specific performance by court order.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES

SECTION 8.1. *Events of Default Defined.* Any one or more of the following events constitute an Event of Default hereunder:

(a) Failure by the City to pay any Lease Payment or other payment required to be paid hereunder at the time specified herein.

(b) Failure by the City to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in the preceding subsection (a), for a period of 30 days after written notice specifying such failure and requesting that it be remedied has been given to the City by the Authority or the Trustee. If in the reasonable opinion of the City the failure stated in the notice can be corrected, but not within such 30-day period, the failure will not constitute an Event of Default if the City commences to cure the failure within such 30-day period and thereafter diligently and in good faith cures the failure in a reasonable period of time, such period of time not to be longer than 180 days after the delivery of such default notice.

(c) The filing by the City of a voluntary petition in bankruptcy, or failure by the City promptly to lift any execution, garnishment or attachment, or adjudication of the City as a bankrupt, or assignment by the City for the benefit of creditors, or the entry by the City into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to the City in any proceedings instituted under the provisions of the Federal Bankruptcy Code, as amended, or under any similar acts which may hereafter be enacted.

SECTION 8.2. *Remedies on Default.* Whenever any Event of Default has happened and is continuing, the Authority may exercise any and all remedies available under law or granted under this Lease. Notwithstanding anything herein or in the Indenture to the contrary, neither the Authority nor the Trustee may accelerate the Lease

Payments or otherwise declare any Lease Payments not then in default to be immediately due and payable. Each covenant hereof to be kept and performed by the City is expressly made a condition and upon the breach thereof the Authority may exercise any and all rights granted hereunder; except that no termination of this Lease may be effected either by operation of law or acts of the parties hereto, except only in the manner herein expressly provided. Upon the occurrence and during the continuance of any Event of Default, the Authority may exercise each and every one of the following remedies, subject in all respects to the limitations set forth in Section 8.3.

(a) Enforcement of Payments Without Termination. If the Authority does not elect to terminate this Lease in the manner hereinafter provided for in subparagraph (b) hereof, the City agrees to and shall remain liable for the payment of all Lease Payments and the performance of all conditions herein contained and shall reimburse the Authority for any deficiency arising out of the re-leasing of the Leased Property, or, if the Authority is unable to re-lease the Leased Property, then for the full amount of all Lease Payments to the end of the Term of this Lease, but said Lease Payments and/or deficiency shall be payable only at the same time and in the same manner as hereinabove provided for the payment of Lease Payments hereunder, notwithstanding such entry or re-entry by the Authority or any suit in unlawful detainer, or otherwise, brought by the Authority for the purpose of effecting such re-entry or obtaining possession of the Leased Property or the exercise of any other remedy by the Authority. The City hereby irrevocably appoints the Authority as the agent and attorney-in-fact of the City to enter upon and re-lease the Leased Property upon the occurrence and continuation of an Event of Default and to remove all personal property whatsoever situated upon the Leased Property, to place the Leased Property in storage or other suitable place in the County of San Joaquin for the account of and at the expense of the City, and the City hereby exempts and agrees to save harmless the Authority from any costs, loss or damage whatsoever arising or occasioned by any such entry upon and re-leasing of the Leased Property and the removal and storage of the Leased Property by the Authority or its duly authorized agents in accordance with the provisions herein contained. The City agrees that the terms of this Lease constitute full and sufficient notice of the right of the Authority to re-lease the Leased Property in the event of such re-entry without effecting a surrender of this Lease, and further agrees that no acts of the Authority in effecting such re-leasing shall constitute a surrender or termination of this Lease irrespective of the term for which such re-leasing is made or the terms and conditions of such re-leasing, or otherwise, but that, on the contrary, in the event of such default by the City the right to terminate this Lease shall vest in the Authority to be effected in the sole and exclusive manner hereinafter provided for in subparagraph (b) hereof. The City agrees to surrender and quit possession of the Leased Property upon demand of the Authority for the purpose of enabling the Leased Property to be re-let under this paragraph, and the City

further waives the right to any rental obtained by the Authority in excess of the Lease Payments and hereby conveys and releases such excess to the Authority as compensation to the Authority for its services in re-leasing the Leased Property.

(b) Termination of Lease. If an Event of Default occurs and is continuing hereunder, the Authority at its option may terminate this Lease and re-lease all or any portion of the Leased Property. If the Authority terminates this Lease at its option and in the manner hereinafter provided on account of default by the City (and notwithstanding any re-entry upon the Leased Property by the Authority in any manner whatsoever or the re-leasing of the Leased Property), the City nevertheless agrees to pay to the Authority all costs, loss or damages howsoever arising or occurring payable at the same time and in the same manner as is herein provided in the case of payment of Lease Payments and Additional Rental Payments. Any surplus received by the Authority from such re-leasing shall be deposited in the Bond Fund. Neither notice to pay rent or to deliver up possession of the premises given under law nor any proceeding in unlawful detainer taken by the Authority shall of itself operate to terminate this Lease, and no termination of this Lease on account of default by the City shall be or become effective by operation of law, or otherwise, unless and until the Authority shall have given written notice to the City of the election on the part of the Authority to terminate this Lease. The City covenants and agrees that no surrender of the Leased Property, or of the remainder of the Term hereof or any termination of this Lease shall be valid in any manner or for any purpose whatsoever unless stated or accepted by the Authority by such written notice.

(c) Proceedings at Law or In Equity. If an Event of Default occurs and continues hereunder, the Authority may take whatever action at law or in equity may appear necessary or desirable to collect the amounts then due and thereafter to become due hereunder or to enforce any other of its rights hereunder.

SECTION 8.3. *No Remedy Exclusive.* No remedy herein conferred upon or reserved to the Authority is intended to be exclusive and every such remedy is cumulative and in addition to every other remedy given under this Lease or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon the occurrence of any Event of Default impairs any such right or power or operates as a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Authority to exercise any remedy reserved to it in this Article VIII it is not necessary to give any notice, other than as expressly required in this Article VIII or by law.

SECTION 8.4. *Agreement to Pay Attorneys' Fees and Expenses.* If the Authority or the City defaults under any of the provisions of this Lease and the nondefaulting party employs attorneys or incurs other expenses for the collection of moneys or the enforcement or performance or observance of any obligation or agreement on the part of

the defaulting party herein contained, the defaulting party will on demand therefor pay to the nondefaulting party the reasonable fees of such attorneys and such other expenses so incurred by the nondefaulting party; *provided, however*, that the Trustee shall not be required to expend its own funds for any payment described in this Section.

SECTION 8.5. *No Additional Waiver Implied by One Waiver.* If the Authority or the City breaches any agreement in this Lease and thereafter the other party waives the breach, such waiver is limited to the particular breach so waived and does not operate to waive any other breach hereunder.

SECTION 8.6. *Application of Proceeds.* All net proceeds received from the re-lease of the Leased Property under this Article VIII, and all other amounts derived by the Authority or the Trustee as a result of the occurrence of an Event of Default, must be paid to and applied by the Trustee in accordance with Section 7.03 of the Indenture.

SECTION 8.7. *Trustee and Bond Owners to Exercise Rights.* Such rights and remedies as are given to the Authority under this Article VIII have been assigned by the Authority to the Trustee under the Assignment Agreement for the benefit of the Bond Owners, to which assignment the City hereby consents. The Trustee and the Bond Owners shall exercise such rights and remedies in accordance with the Indenture.

ARTICLE IX

PREPAYMENT OF LEASE PAYMENTS

SECTION 9.1. *Security Deposit.* Notwithstanding any other provision of this Lease, the City may on any date secure the payment of the Lease Payments allocable to the Leased Property in whole or in part by depositing with the Trustee an amount of cash which, together with other available amounts on deposit in the funds and accounts established under the Indenture, is either:

(a) sufficient to pay such Lease Payments, including the principal and interest components thereof, in accordance with the Lease Payment schedule set forth in Appendix B, or

(b) invested in whole or in part in non-callable Federal Securities in such amount as will, in the opinion of an independent certified public accountant, (which opinion must be addressed and delivered to the Trustee), together with interest to accrue thereon and together with any cash which is so deposited, be fully sufficient to pay such Lease Payments when due under Section 4.3(a), as the City instructs at the time of said deposit.

If the City makes a security deposit under this Section with respect to all unpaid Lease Payments, and notwithstanding the provisions of Section 4.2, (a) the Term of this Lease will continue, (b) all obligations of the City under this Lease, and all security provided by this Lease for said Lease Payments, will thereupon cease and terminate, excepting only the obligation of the City to make, or cause to be made all of said Lease Payments from such security deposit, and (c) under Section 4.7, title to the Leased

Property will vest in the City on the date of said deposit automatically and without further action by the City or the Authority. Said security deposit constitutes a special fund for the payment of Lease Payments in accordance with the provisions of this Lease.

SECTION 9.2. *Optional Prepayment.* The City has the option to prepay the principal components of the Lease Payments in whole, or in part in any integral multiple of $5,000, from any source of legally available funds, on any date on or after November 1, _____ (or such earlier date on which the Bonds are eligible for optional redemption), at a prepayment price equal to the aggregate principal components of the Lease Payments to be prepaid, together with the interest component of the Lease Payment required to be paid on such date, and together with a prepayment premium equal to the premium (if any) required to be paid on the resulting redemption of Bonds under Section 4.01(a) of the Indenture. Such prepayment price shall be deposited by the Trustee in the Redemption Fund to be applied to the redemption of Bonds under Section 4.01(a) of the Indenture. The City shall give 10 days' written notice to the Trustee of its intention to prepay the Lease Payments under this Section.

SECTION 9.3. *Mandatory Prepayment From Net Proceeds of Insurance or Eminent Domain.* The City shall prepay the principal components of the Lease Payments allocable to the Leased Property in whole or in part on any date, from and to the extent of any Net Proceeds of insurance award or eminent domain award with respect to the Leased Property theretofore deposited in the Redemption Fund for that purpose under Article VI hereof and Section 5.07 of the Indenture. Such Net Proceeds, to the extent remaining after payment of any delinquent Lease Payments, will be credited towards the City's obligations under this Section and applied to the corresponding redemption of Bonds under Section 4.01(b) of the Indenture.

SECTION 9.4. *Credit for Amounts on Deposit.* If the principal components of the Lease Payments are prepaid in full under this Article IX, such that the Indenture is discharged by its terms as a result of such prepayment, at the written election of the City filed with the Trustee any or all amounts then on deposit in the Bond Fund (and the accounts therein) will be credited towards the amounts then required to be so prepaid.

ARTICLE X

MISCELLANEOUS

SECTION 10.1. *Notices.* Any notice, request, complaint, demand or other communication under this Lease shall be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or by facsimile transmission or other form of telecommunication, at its number set forth below. Notice shall be effective either (a) upon transmission by facsimile transmission or other form of telecommunication, (b) 48 hours after deposit in the United States of America first class mail, postage prepaid, or (c) in the case of personal delivery to any person, upon actual receipt. The Authority, the City or the Trustee may, by written notice to the other parties, from time to time modify the address or number to which communications are to be given hereunder.

If to the Authority City of Tracy

or the City:	333 Civic Center Plaza Tracy, California 95376 Attention: Finance Director Fax: 209-831-6439
If to the Trustee:	U.S. Bank Trust Company, National Association Attn.: Global Corporate Trust Services One California Street, Suite 1000 San Francisco, CA 94111 Fax: 415-677-3768

SECTION 10.2. *Binding Effect.* This Lease inures to the benefit of and binds the Authority, the City and their respective successors and assigns.

SECTION 10.3. *Severability.* If any provision of this Lease is held invalid or unenforceable by any court of competent jurisdiction, such holding will not invalidate or render unenforceable any other provision hereof.

SECTION 10.4. *Net-net-net Lease.* This Lease is deemed and construed to be a "net-net-net lease" and the City hereby agrees that the Lease Payments are an absolute net return to the Authority, free and clear of any expenses, charges or set-offs whatsoever.

SECTION 10.5. *City Direction of Investments.* The City may direct the Authority as to the investment of funds under the Indenture, subject to compliance with the provisions of Article V and Section 6.07 of the Indenture.

SECTION 10.6. *Third Party Beneficiary.* The Trustee is hereby made a third party beneficiary hereunder with all rights of a third party beneficiary.

SECTION 10.7. *Further Assurances and Corrective Instruments.* The Authority and the City shall, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Leased Property hereby leased or intended so to be or for carrying out the expressed intention of this Lease.

SECTION 10.8. *Execution in Counterparts.* This Lease may be executed in several counterparts, each of which is an original and all of which constitute but one and the same instrument.

SECTION 10.9. *Applicable Law.* This Lease is governed by and construed in accordance with the laws of the State of California.

SECTION 10.10. *Authority and City Representatives.* Whenever under the provisions of this Lease the approval of the Authority or the City is required, or the Authority or the City is required to take some action at the request of the other, such approval or such request shall be given for the Authority and for the City by an Authorized Representative thereof, and any party hereto may conclusively rely upon any such approval or request.

SECTION 10.11. *Captions.* The captions or headings in this Lease are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Section of this Lease.

IN WITNESS WHEREOF, the Authority and the City have caused this Lease to be executed in their respective names by their duly authorized officers, all as of the date first above written.

TRACY PUBLIC FINANCING AUTHORITY, *as lessor*

By _____
Treasurer

Attest:

_____
Secretary

CITY OF TRACY, *as lessee*

By _____
Finance Director

Attest:

_____
City Clerk

APPENDIX A

DESCRIPTION OF THE LEASED PROPERTY

The Leased Property consists of that certain real property situated in the City of Tracy, County of San Joaquin, which is more particularly described as follows:

Parcel 1: (APN: 235-190-54, 235-190-51, 235-190-41 and 235-190-50) – City Hall

Lots 1, 2, 4 and 5 as shown and delineated on the Parcel Map filed September 17, 2008, in Book 25 of Parcel Maps, at Page 11, San Joaquin County Records.

1Excepting therefrom for purposes of this Lease the leased premises under an unrecorded Site Lease Agreement, dated August 2, 2005, between the City and Clearwire, LLC, as amended by an unrecorded Amendment No. 1 to Site Lease Agreement dated August 2, 2005, which premises constitute approximately 96 square feet of ground space for communication equipment and space on the City's existing monopole tower (as shown on Exhibit B to such unrecorded Site Lease Agreement). The Site Lease Agreement, as amended, is disclosed by that certain Memorandum of Agreement recorded in the real property records of San Joaquin County on March 16, 2005 as Document Number 2006-058326.

Parcel 2: (APN 213-070-82) – City Fire Station

A portion of Lot 31, "Unit No. 1 of Pescadero Colony", Rancho El Pescadero, filed for record November 10, 1921 in Book of Maps and Plats, Volume 10, Page 44, San Joaquin County Records and more particularly described as follows:

All of Parcel 1, as shown upon that certain Parcel Map, filed for record December 21, 2011 in Book 25 of Parcel Maps at Page 125, San Joaquin County Records.

Excepting therefrom all mineral rights 500 feet and below without the right of surface entry.

Parcel 3: (APN: 232-020-03) – City Fire Station

A portion of the Northeast, one-quarter of Section 20, T2S, R58 of the Mt. Diablo Base and Meridian and further described as follows:

Beginning at the Northeast corner of that certain Parcel of land conveyed to Roy Mehring and Mabel Mehring, his wife, by Deed dated April 17, 1964 and recorded in Book 2811, Page 635 Official Records of San Joaquin County; thence S 00° 05' 50" E, 145.20 feet along the Easterly boundary of the above said Parcel; thence S 45° 00' 00" E, 119.88 feet; thence East, 174.98 feet; thence North, 229.97 feet to a point on the Southerly boundary of that certain strip of land conveyed to the West side irrigation district by Deed dated November 21, 1927 and recorded in Book of Official Records, Volume 248, Page 330, San Joaquin County Records; thence S 89° 59' 57" W along this aforementioned Southerly boundary, 260.00 to the point of beginning.

Parcel 4: (APN: 214-500-01) – El Pescadero Park

Lots 3 and 4 in Block 5 of Tracy Garden Farms, according to the Official Map thereof filed in Vol. 8 of Maps, Page 1, San Joaquin County Records.

Excepting therefrom that portion conveyed to Joe De Maria, et ux, by Deed recorded June 28, 1939 in Book of Official Records, Vol. 646, page 372, San Joaquin County Records, described as follows:

That portion of Lot 4 in Block 5 of Tracy Garden Farms, according to the Official Map thereof filed in Vol. 8 of Maps, page 1, San Joaquin County Records, described as follows:

Beginning at the Southeast corner of said Lot 4 of said Block 5 of the Tracy Garden Farms, which said point is a steel axie, at the intersection of the North line of the public road, known as Grant Line Road, with the East line of said Lot 4; thence North 0° 13' West along the East line of said Lot 4, 569.90 feet to the center line of an irrigation canal of the Tracy Clover Irrigation District; thence South 85° 56' West along the center line of said irrigation canal, 392.38 feet; thence South 0° 13' East parallel to the East line of said Lot 4, 542.86 feet to a point in the North line of the said public highway; thence North 89° 53' East along the North line of the said public highway and the South line of said Lot 4, 391.46 feet to the point of beginning.

Also excepting therefrom unto Grantor one-half (1/2) of all oil, gas and other hydrocarbon substances lying below a depth of five hundred feet (500') from the surface thereof, but without any rights of access above said depth, as reserved in Deed recorded June 16, 1964 in Book 2834 Page 23 of Official Records.

Excepting therefrom for purposes of this Lease the leased premises under an unrecorded Ground Lease, dated September 1, 2005, by and between the City and Tracy Interfaith Ministries, as such agreement is referenced in the City of Tracy Planning Commission Resolution 2004-18 dated May 12, 2004. The leased premises consist of approximately 32,000 square feet (0.75 acres) of land as shown in Exhibit A to such unrecorded Ground Lease and the non- exclusive use of a certain parking lot as shown in Exhibit B to such unrecorded Ground Lease.

Excepting therefrom for purposes of this Lease a portion of the land shown on that certain Grant Deed executed by Evalynne D. Paddon as grantor and the City of Tracy, a municipal corporation as grantee, recorded June 16, 1964, as Instrument No. 30265 in Book 2834 Page 23, of Official Records, being more specifically defined in an unrecorded lease as evidenced by that certain instrument dated December 7, 2021 entitled "Resolution 2021-181, Approving the Lease Agreement between the City of Tracy and the South San Joaquin Fire Authority for use of Fire Stations, Administration Facility, Support Services Facility, Apparatus and Equipment", being the most Southwesterly corner of the above described lands containing 0.50 acres bounded

(End of Legal Description)

APPENDIX B
SCHEDULE OF LEASE PAYMENTS*

Lease Payment Date**	Principal Component	Interest Component	Aggregate Lease Payment
Totals			

* This Appendix B shall be amended in connection with the issuance of any Additional Bonds.

** Lease Payment Dates are the Business Day immediately preceding each date listed in the schedule

APPENDIX C
DESCRIPTION OF PROJECT

The Project consists of the acquisition and construction of a multi-generational recreation center in El Pescadero Park, improvements to El Pescadero Park and related public improvements that may be identified from time to time by the City.

TO BE RECORDED AND WHEN RECORDED
RETURN TO:
Jones Hall, A Professional Law Corporation
475 Sansome Street, Suite 1700
San Francisco, California 94111
Attention: Christopher K. Lynch

THIS DOCUMENT IS EXEMPT FROM RECORDING FEES UNDER SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

ASSIGNMENT AGREEMENT

This ASSIGNMENT AGREEMENT (this "**Agreement**"), dated for convenience as of June 1, 2024, is between the TRACY PUBLIC FINANCING AUTHORITY, a joint powers authority duly organized and existing under the laws of the State of California (the "**Authority**"), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, as trustee (the "**Trustee**").

B A C K G R O U N D :

1. The City of Tracy (the "**City**") wishes to finance the acquisition and construction of a multi-generational recreation center in El Pescadero Park, improvements to El Pescadero Park and related public improvements that may be identified from time to time by the City (the "**Project**").

2. The City and the Tracy Industrial Development Authority (the "**Industrial Development Authority**") are parties to a First Amended and Restated Joint Powers Agreement, dated as of October 17, 2018 (the "**Joint Powers Agreement**"), pursuant to which the Authority was established as a joint exercise of powers authority under the Joint Exercise of Powers Act (Government Code §6500 et seq.) for the purpose of providing assistance to the City and the Industrial Development Authority with their financing programs, and for any other purposes authorized under the Bond Law (as defined in the Indenture referenced below).

3. The City has proposed to lease to the Authority certain real property and improvements of the City, as more particularly described in Appendix A attached hereto and by this reference incorporated herein (the "**Leased Property**"), under a Site Lease, dated as of the date hereof, between the City and the Authority (the "**Site Lease**") in consideration of the payment by the Authority of an upfront rental payment (the "**Site**

Lease Payment") which is sufficient to provide funds for the acquisition and construction of the Project. The Site Lease is being recorded concurrently herewith.

4. The Authority has authorized the issuance of its Tracy Public Financing Authority Lease Revenue Bonds, Series 2024A (Multi-Generational Recreation Center Project) in the aggregate principal amount of $_____ (the "**2024 Bonds**") under an Indenture of Trust dated as of the date hereof (the "**Indenture**"), between the Authority and the Trustee, for the purpose of providing the funds to enable the Authority to pay the Site Lease Payment to the City in accordance with the Site Lease.

5. Under Section 2.08 and Section 2.09 of the Indenture, the Authority is authorized to issue Additional Bonds (as defined in the Indenture) payable from the Lease Payments (as defined in the Lease) payable by the City under the Lease. Together, the 2024 Bonds and any Additional Bonds are defined as "**Bonds**" under this Assignment Agreement and the Indenture.

6. In order to provide revenues which are sufficient to enable the Authority to pay debt service on the Bonds, the Authority has agreed to lease the Leased Property back to the City under a Lease Agreement dated as of the date hereof (the "**Lease**"), a memorandum of which has been recorded concurrently herewith, under which the City has agreed to pay semiannual Lease Payments as the rental for the Leased Property thereunder.

7. The Authority has requested the Trustee to enter into this Agreement for the purpose of assigning certain of its rights under the Lease to the Trustee for the benefit of the Bond owners.

A G R E E M E N T :

In consideration of the material covenants contained in this Agreement, the parties hereto hereby formally covenant, agree and bind themselves as follows:

SECTION 1. *Defined Terms*. All capitalized terms not otherwise defined herein have the respective meanings given those terms in the Indenture.

SECTION 2. *Assignment*. The Authority hereby assigns to the Trustee, for the benefit of the Owners of all Bonds which are issued and Outstanding under the Indenture, all of the Authority's rights under the Lease (excepting only the Authority's rights under Sections 4.5, 5.10, 7.3 and 8.4 of the Lease and its rights to give consents and approvals under the Lease), including but not limited to:

(a) the right to receive and collect all of the Lease Payments from the City under the Lease;

(b) the right to receive and collect any proceeds of any insurance maintained thereunder with respect to the Leased Property, or any eminent domain award (or proceeds of sale under threat of eminent domain) paid with respect to the Leased Property; and

(c) the right to exercise such rights and remedies conferred on the Authority under the Lease as may be necessary or convenient (i) to enforce payment of the Lease Payments and any amounts required to be deposited in the Insurance and Condemnation Fund established under Section 5.07 of the Indenture, or (ii) otherwise to protect the interests of the Bond Owners in the event of a default by the City under the Lease.

The Trustee shall administer all of the rights assigned to it by the Authority under this Agreement in accordance with the provisions of the Indenture, for the benefit of the Owners of Bonds. The assignment made under this Section 2 is absolute and irrevocable, and without recourse to the Authority.

SECTION 3. *Acceptance*. The Trustee hereby accepts the assignments made herein for the purpose of securing the payments due under the Lease and Indenture to, and the rights under the Lease and Indenture of, the Owners of the Bonds, all subject to the provisions of the Indenture. The recitals contained herein are those of the Authority and not of the Trustee, and the Trustee assumes no responsibility for the correctness thereof.

SECTION 4. *Conditions.* This Agreement confers no rights and imposes no duties upon the Trustee beyond those expressly provided in the Indenture. The assignment hereunder to the Trustee is solely in its capacity as Trustee under the Indenture, and the Trustee shall have the same rights, protections, immunities and indemnities hereunder as afforded to it under the Indenture.

SECTION 5. *Execution in Counterparts*. This Agreement may be executed in any number of counterparts, each of which is an original and all together constitute one and the same agreement. Separate counterparts of this Agreement may be separately executed by the Trustee and the Authority, both with the same force and effect as though the same counterpart had been executed by the Trustee and the Authority.

SECTION 6. *Binding Effect*. This Agreement inures to the benefit of and binds the Authority and the Trustee, and their respective successors and assigns, subject, however, to the limitations contained herein.

SECTION 7. *Governing Law*. This Agreement is governed by the Constitution and laws of the State of California.

Signatures on following page.

IN WITNESS WHEREOF, the parties have executed this Agreement by their duly authorized officers as of the day and year first written above.

TRACY PUBLIC FINANCING AUTHORITY

By _____
Treasurer

Attest:

_____
Secretary

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as *Trustee*

By _____
Authorized Representative

APPENDIX A

DESCRIPTION OF THE LEASED PROPERTY

The Leased Property consists of that certain real property situated in the City of Tracy, County of San Joaquin, which is more particularly described as follows:

Parcel 1: (APN: 235-190-54, 235-190-51, 235-190-41 and 235-190-50) – City Hall

Lots 1, 2, 4 and 5 as shown and delineated on the Parcel Map filed September 17, 2008, in Book 25 of Parcel Maps, at Page 11, San Joaquin County Records.

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A portion of Lot 31, "Unit No. 1 of Pescadero Colony", Rancho El Pescadero, filed for record November 10, 1921 in Book of Maps and Plats, Volume 10, Page 44, San Joaquin County Records and more particularly described as follows:

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Beginning at the Northeast corner of that certain Parcel of land conveyed to Roy Mehring and Mabel Mehring, his wife, by Deed dated April 17, 1964 and recorded in Book 2811, Page 635 Official Records of San Joaquin County; thence S 00° 05' 50" E, 145.20 feet along the Easterly boundary of the above said Parcel; thence S 45° 00' 00" E, 119.88 feet; thence East, 174.98 feet; thence North, 229.97 feet to a point on the Southerly boundary of that certain strip of land conveyed to the West side irrigation district by Deed dated November 21, 1927 and recorded in Book of Official Records, Volume 248, Page 330, San Joaquin County Records; thence S 89° 59' 57" W along this aforementioned Southerly boundary, 260.00 to the point of beginning.

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Lots 3 and 4 in Block 5 of Tracy Garden Farms, according to the Official Map thereof filed in Vol. 8 of Maps, Page 1, San Joaquin County Records.

Excepting therefrom that portion conveyed to Joe De Maria, et ux, by Deed recorded June 28, 1939 in Book of Official Records, Vol. 646, page 372, San Joaquin County Records, described as follows:

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Also excepting therefrom unto Grantor one-half (1/2) of all oil, gas and other hydrocarbon substances lying below a depth of five hundred feet (500') from the surface thereof, but without any rights of access above said depth, as reserved in Deed recorded June 16, 1964 in Book 2834 Page 23 of Official Records.

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Excepting therefrom for purposes of this Agreement a portion of the land shown on that certain Grant Deed executed by Evalynne D. Paddon as grantor and the City of Tracy, a municipal corporation as grantee, recorded June 16, 1964, as Instrument No. 30265 in Book 2834 Page 23, of Official Records, being more specifically defined in an unrecorded lease as evidenced by that certain instrument dated December 7, 2021 entitled "Resolution 2021-181, Approving the Lease Agreement between the City of Tracy and the South San Joaquin Fire Authority for use of Fire Stations, Administration Facility, Support Services Facility, Apparatus and Equipment", being the most Southwesterly corner of the above described lands containing 0.50 acres bounded by the Northerly line of Grant Line Rd. and the Westerly line of Parker Ave.

(End of Legal Description)

INDENTURE OF TRUST

Dated as of June 1, 2024

between

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Trustee

and the

TRACY PUBLIC FINANCING AUTHORITY

Authorizing the Issuance of

$_____
Tracy Public Financing Authority
Lease Revenue Bonds, Series 2024A
(Multi-Generational Recreation Center Project)

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INDENTURE OF TRUST

This INDENTURE OF TRUST (this "**Indenture**"), dated for convenience as of June 1, 2024, is between the TRACY PUBLIC FINANCING AUTHORITY, a joint powers authority duly organized and existing under the laws of the State of California (the "**Authority**"), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, with a corporate trust office in San Francisco, California, being qualified to accept and administer the trusts hereby created (the "**Trustee**").

B A C K G R O U N D :

1. The City of Tracy (the "**City**") wishes to finance the acquisition and construction of a multi-generational recreation center in El Pescadero Park, improvements to El Pescadero Park and related public improvements that may be identified from time to time by the City (the "**Project**").

2. The City and the Tracy Industrial Development Authority (the "**Industrial Development Authority**") are parties to a First Amended and Restated Joint Powers Agreement, dated as of October 17, 2018 (the "**Joint Powers Agreement**"), pursuant to which the Authority was established as a joint exercise of powers authority under the Joint Exercise of Powers Act (Government Code §6500 et seq.) for the purpose of providing assistance to the City and the Industrial Development Authority with their financing programs, and for any other purposes authorized under the Bond Law (as defined herein).

3. The City has proposed to lease to the Authority certain real property and improvements of the City, as more particularly described in Appendix A to the Site Lease (as defined below) and by this reference incorporated herein (the "**Leased Property**"), under a Site Lease, dated as of the date hereof, by and between the City and the Authority (the "**Site Lease**") in consideration of the payment by the Authority of an upfront rental payment (the "**Site Lease Payment**") which is sufficient to provide funds for the acquisition and construction of the Project.

4. The Authority wishes to issue its Tracy Public Financing Authority Lease Revenue Bonds, Series 2024A (Multi-Generational Recreation Center Project), in the aggregate principal amount of $_____ (the "**2024 Bonds**") under this Indenture for the purpose of providing the funds to enable the Authority to pay the Site Lease Payment to the City in accordance with the Site Lease.

5. In order to provide revenues which are sufficient to enable the Authority to pay debt service on the 2024 Bonds, the Authority has leased the Leased Property back to the City under a Lease Agreement dated the date hereof (the "**Lease**"), under which the City has agreed to pay semiannual Lease Payments as the rental for the Leased Property thereunder.

6. The lease payments made by the City under the Lease have been assigned by the Authority to the Trustee for the security of the 2024 Bonds under an Assignment Agreement, dated the date hereof, between the Authority as assignor and the Trustee as assignee.

7. In order to provide for the authentication and delivery of the 2024 Bonds, to establish and declare the terms and conditions upon which the 2024 Bonds are to be issued and to secure the payment of the principal thereof (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption), premium (if any) and interest thereon, the Authority has authorized the execution and delivery of this Indenture.

8. The Authority has found and determined, and hereby affirms, that all acts and proceedings required by law necessary to make the 2024 Bonds, when executed by the Authority, authenticated and delivered by the Trustee and duly issued, the valid, binding and legal special obligations of the Authority, and to constitute this Indenture a valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done and taken, and the execution and delivery of this Indenture have been in all respects duly authorized.

A G R E E M E N T :

In order to secure the payment of the principal (including the principal amount of any Term Bond that is subject to mandatory sinking fund redemption) of and the interest and redemption premium (if any) on all the Outstanding Bonds under this Indenture according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the 2024 Bonds are to be issued and received, and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the 2024 Bonds by the Owners thereof, and for other valuable considerations, the receipt of which is hereby acknowledged, the Authority and the Trustee do hereby covenant and agree with one another, for the benefit of the respective Owners from time to time of the 2024 Bonds, as follows:

ARTICLE I

DEFINITIONS; RULES OF CONSTRUCTION

SECTION 1.01. *Definitions*. Unless the context clearly otherwise requires or unless otherwise defined herein, the capitalized terms defined in Appendix A attached to this Indenture have the respective meanings specified in that Appendix when used in this Indenture.

SECTION 1.02. *Authorization*. Each of the parties hereby represents and warrants that it has full legal authority and is duly empowered to enter into this Indenture, and has taken all actions necessary to authorize the execution hereof by the officers and persons signing it.

SECTION 1.03. *Interpretation.*

(a) Unless the context otherwise indicates, words expressed in the singular shall include the plural and vice versa and the use of the neuter, masculine, or feminine

gender is for convenience only and shall be deemed to include the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(c) All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE II

THE 2024 BONDS

SECTION 2.01. *Authorization of Bonds*. The Authority has reviewed all proceedings heretofore taken and has found, as a result of such review, and hereby finds and determines that all things, conditions and acts required by law to exist, happen or be performed precedent to and in connection with the issuance of the 2024 Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and the Authority is now duly empowered, under each and every requirement of law, to issue the 2024 Bonds in the manner and form provided in this Indenture.

The Authority hereby authorizes the issuance of 2024 Bonds in the aggregate principal amount of $_____ under the Bond Law for the purposes of providing funds to pay the Site Lease Payment to the City and thereby provide funds to finance the acquisition and construction of the Project. The 2024 Bonds are authorized and issued under, and are subject to the terms of, this Indenture and the Bond Law. The 2024 Bonds are designated the "Tracy Public Financing Authority Lease Revenue Bonds, Series 2024A (Multi-Generational Recreation Center Project)."

SECTION 2.02. *Terms of the 2024 Bonds*.

(a) Payment Provisions. The 2024 Bonds shall be issued in fully registered form without coupons in denominations of $5,000 or any integral multiple thereof, so long as no Bond has more than one maturity date. The 2024 Bonds shall mature on November 1 in each of the years and in the amounts, and bear interest (calculated on the basis of a 360-day year of twelve 30-day months) at the rates, as follows:

Maturity Date (November 1)	Principal Amount	Interest Rate

* Term Bonds

Interest on the 2024 Bonds is payable from the Interest Payment Date next preceding the date of authentication thereof unless:

(a) a 2024 Bond is authenticated on or before an Interest Payment Date and after the close of business on the preceding Record Date, in which event it will bear interest from such Interest Payment Date,

(b) a 2024 Bond is authenticated on or before the first Record Date, in which event interest thereon will be payable from the Closing Date, or

(c) interest on any 2024 Bond is in default as of the date of authentication thereof, in which event interest thereon will be payable from the date to which interest has been paid in full, payable on each Interest Payment Date.

Interest is payable on each Interest Payment Date to the persons in whose names the ownership of the Bonds is registered on the Registration Books at the close of business on the immediately preceding Record Date, except as provided below. Interest on any Bond which is not punctually paid or duly provided for on any Interest Payment Date is payable to the person in whose name the ownership of such Bond is registered on the Registration Books at the close of business on a special record date for the payment of such defaulted interest to be fixed by the Trustee, notice of which is given to such Owner by first-class mail not less than 10 days prior to such special record date.

The Trustee will pay interest on the Bonds by check of the Trustee mailed by first class mail, postage prepaid, on each Interest Payment Date to the Owners of the Bonds at their respective addresses shown on the Registration Books as of the close of business on the preceding Record Date. At the written request of the Owner of Bonds in an aggregate principal amount of at least $1,000,000, which written request is on file with the Trustee as of any Record Date, the Trustee will pay interest on such Bonds on each succeeding Interest Payment Date by wire transfer in immediately available funds to such account of a financial institution within the United States of America as specified in such written request, which written request will remain in effect until rescinded in writing by the Owner. The Trustee will pay principal of the Bonds (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) in lawful money of the United States of America by check of the Trustee or by wire upon presentation and surrender thereof at the Office of the Trustee.

SECTION 2.03. *Transfer and Exchange of Bonds*.

(a) Transfer. Any Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the person in whose name it is registered, in person or by a duly authorized attorney of such person, upon surrender of such Bond to the Trustee at its Office for cancellation, accompanied by delivery of a written instrument of transfer in a form acceptable to the Trustee, duly executed. The Trustee shall require the Owner requesting such transfer to pay any tax or other governmental charge required to be paid with respect to such transfer. Whenever any Bond or Bonds shall be surrendered for transfer, the Authority shall execute and the Trustee shall authenticate and deliver to the transferee a new Bond or Bonds of like series, interest rate, maturity and aggregate principal amount. The Authority shall pay the cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any transfer of Bonds. Prior to any transfer of the Bonds outside the book-entry system (including, but not limited to, the initial transfer outside the book-entry system) the transferor shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045, as amended. The Trustee shall conclusively rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

(b) Exchange. The Bonds may be exchanged at the Office of the Trustee for a like aggregate principal amount of Bonds of other authorized denominations and of the same series, interest rate and maturity. The Trustee shall require the Owner requesting such exchange to pay any tax or other governmental charge required to be paid with respect to such exchange. The Authority shall pay the cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any exchange of Bonds.

(c) Limitations. The Trustee may refuse to transfer or exchange, under the provisions of this Section 2.03, any Bonds selected by the Trustee for redemption under Article IV, or any Bonds during the period established by the Trustee for the selection of Bonds for redemption.

SECTION 2.04. *Book-Entry System*.

(a) Original Delivery. Unless otherwise provided in a Supplemental Indenture, the Bonds will be initially delivered in the form of a separate single fully registered bond (which may be typewritten) for each maturity of the Bonds. Upon initial delivery, the Trustee shall register the ownership of each Bond on the Registration Books in the name of the Nominee. Except as provided in subsection (c), the ownership of all of the Outstanding Bonds shall be registered in the name of the Nominee on the Registration Books.

With respect to Bonds the ownership of which shall be registered in the name of the Nominee, the Authority and the Trustee has no responsibility or obligation to any Depository System Participant or to any person on behalf of which the Nominee holds an interest in the Bonds. Without limiting the generality of the immediately preceding sentence, the Authority and the Trustee has no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee or any Depository System Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Depository System Participant or any other person, other than a Bond Owner as shown in the Registration Books, of any notice with respect to the Bonds, including any notice of redemption, (iii) the selection by the Depository of the beneficial interests in the Bonds to be redeemed if the Authority elects to redeem the Bonds in part, (iv) the payment to any Depository System Participant or any other person, other than a Bond Owner as shown in the Registration Books, of any amount with respect to principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption), premium, if any, or interest on the Bonds or (v) any consent given or other action taken by the Depository as Owner of the Bonds. The Authority and the Trustee may treat and consider the person in whose name each Bond is registered as the absolute owner of such Bond for the purpose of payment of principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) of and premium, if any, and interest on such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers of ownership of such Bond, and for all other purposes whatsoever. The Trustee shall pay the principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) of and the interest and premium, if any, on the Bonds only to the respective Owners or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge all obligations with respect to payment of principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) of and interest and premium, if any, on the Bonds to the extent of the sum or sums so paid. No person other than a Bond Owner shall receive a Bond evidencing the obligation of the Authority to make payments of principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption), interest and premium, if any, under this Indenture. Upon delivery by the Depository to the Authority of written notice to the effect that the Depository has determined to substitute a new Nominee in its place, and subject to the provisions herein with respect to Record Dates, such new nominee shall become the Nominee hereunder for all purposes; and upon receipt of such a notice the Authority shall promptly deliver a copy of the same to the Trustee.

(b) Representation Letter. In order to qualify the Bonds for the Depository's book-entry system, the Authority shall execute and deliver to such Depository a letter in which the Authority will agree to the Depository's operational arrangements. To the

extent required to do so by the Depository, the Trustee shall also execute such representation letter and agree to the Depository's operational arrangements. The execution and delivery of such letter shall not in any way limit the provisions of subsection (a) above or in any other way impose upon the Authority or the Trustee any obligation whatsoever with respect to persons having interests in the Bonds other than the Bond Owners. In addition to the execution and delivery of such letter, the Authority may take any other actions, not inconsistent with this Indenture, to qualify the Bonds for the Depository's book-entry program.

(c) Transfers Outside Book-Entry System. If either (i) the Depository determines not to continue to act as Depository for the Bonds, or (ii) the Authority determines to terminate the Depository as such, then the Authority shall thereupon discontinue the book-entry system with such Depository. In such event, the Depository shall cooperate with the Authority and the Trustee in the issuance of replacement Bonds by providing the Trustee with a list showing the interests of the Depository System Participants in the Bonds, and by surrendering the Bonds, registered in the name of the Nominee, to the Trustee on or before the date such replacement Bonds are to be issued. The Depository, by accepting delivery of the Bonds, agrees to be bound by the provisions of this subsection (c). If, prior to the termination of the Depository acting as such, the Authority fails to identify another Securities Depository to replace the Depository, then the Bonds shall no longer be required to be registered in the Registration Books in the name of the Nominee, and, upon transfer or exchange, shall be registered in whatever name or names the Owners transferring or exchanging Bonds shall designate, in accordance with the provisions hereof.

If the Authority determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the Authority may notify the Depository System Participants of the availability of such certificated Bonds through the Depository. In such event, the Trustee will issue, transfer and exchange Bonds as required by the Depository and others in appropriate amounts; and whenever the Depository requests, the Trustee and the Authority shall cooperate with the Depository in taking appropriate action (y) to make available one or more separate certificates evidencing the Bonds to any Depository System Participant having Bonds credited to its account with the Depository, or (z) to arrange for another Securities Depository to maintain custody of a single certificate evidencing such Bonds, all at the Authority's expense.

(d) Payments to the Nominee. Notwithstanding any other provision of this Indenture to the contrary, so long as any Bond is registered in the name of the Nominee, all payments with respect to principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) of and interest and premium, if any, on such Bond and all notices with respect to such Bond shall be made and given, respectively, as provided in the letter described in subsection (b) of this Section or as otherwise instructed by the Depository.

SECTION 2.05. *Registration Books*. The Trustee will keep or cause to be kept, at the Office of the Trustee, sufficient records for the registration and transfer of ownership of the Bonds, which shall upon reasonable notice as agreed to by the Trustee, be open to inspection during regular business hours by the Authority; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe,

register or transfer or cause to be registered or transferred, on such records, the ownership of the Bonds as hereinbefore provided.

SECTION 2.06. *Form and Execution of Bonds*. The Bonds, the form of Trustee's certificate of authentication, and the form of assignment to appear thereon, are set forth in Appendix B attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Indenture.

The Executive Director of the Authority shall execute, and the Secretary of the Authority shall attest each Bond. Either or both of such signatures may be made manually or may be affixed by facsimile thereof. If any officer whose signature appears on any Bond ceases to be such officer before the Closing Date, such signature will nevertheless be as effective as if the officer had remained in office until the Closing Date. Any Bond may be signed and attested on behalf of the Authority by such persons as at the actual date of the execution of such Bond are the proper officers of the Authority, duly authorized to execute debt instruments on behalf of the Authority, although on the date of such Bond any such person was not an officer of the Authority.

Only those Bonds bearing a certificate of authentication in the form set forth in Appendix B, manually executed and dated by the Trustee, are valid or obligatory for any purpose or entitled to the benefits of this Indenture, and such certificate of the Trustee is conclusive evidence that such Bonds have been duly authenticated and delivered hereunder and are entitled to the benefits of this Indenture.

SECTION 2.07. *Bonds Mutilated, Lost, Destroyed or Stolen*. If any Bond is mutilated, the Authority, at the expense of the Owner of such Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. The Trustee shall cancel every mutilated Bond surrendered to it and deliver such mutilated Bond to, or upon the order of, the Authority. If any Bond is lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence is satisfactory and if indemnity satisfactory to the Trustee and the Authority is given, the Authority, at the expense of the Owner, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor in lieu of and in substitution for the Bond so lost, destroyed or stolen. The Trustee may require payment of a sum not exceeding the actual cost of preparing each new Bond issued under this Section and of the expenses which may be incurred by the Trustee in connection therewith. Any Bond issued under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen will constitute an original additional contractual obligation on the part of the Authority whether or not the Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Indenture with all other Bonds issued under this Indenture.

Notwithstanding any other provision of this Section 2.07, in lieu of delivering a new Bond for which principal has become due for a Bond which has been mutilated, lost, destroyed or stolen, the Trustee may make payment of such Bond in accordance with its terms upon receipt of indemnity satisfactory to the Trustee.

SECTION 2.08. *Additional Bonds*. In addition to the 2024 Bonds authorized to be issued pursuant to Section 2.01 of this Indenture, the Authority may, by Supplemental Indenture, establish one or more other issues of Additional Bonds secured by a pledge of and payable from Revenues on a parity with the 2024 Bonds, and may issue and deliver such Additional Bonds in such principal amount as shall be determined by the Authority, but only upon compliance by the Authority with the provisions of this Section 2.08 and Section 2.09, and subject to the following specific conditions which are hereby made conditions precedent to the issuance of such Additional Bonds:

(a) Such Additional Bonds shall have been authorized to finance additional capital improvements for the City, or to refund bonds previously issued to finance such capital improvements, and the issuance thereof shall have been determined and declared by the Authority, in a Supplemental Indenture, to be necessary for that purpose.

(b) The Authority and the City shall be in compliance with all covenants and undertakings set forth in this Indenture and in the Lease and the Site Lease.

(c) The aggregate principal amount of Bonds issued and at any time Outstanding hereunder shall not exceed any limit imposed by law, by this Indenture or by any Supplemental Indenture.

(d) Such Additional Bonds shall be equally and ratably secured by the Revenues with all other Bonds herein authorized.

(e) The Authority shall have entered into an amendment to the Lease, in and by which the City obligates itself in the manner provided in the Lease to make Lease Payments for the lease of the Leased Property at the times and in the amounts sufficient to provide for the payment of the principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) of and interest on such Additional Bonds as such principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) and interest become due and to make all other payments in the manner provided in the Lease, and the City shall certify in writing that such Lease Payments, as amended, in any Rental Period shall not exceed the fair rental value of the Leased Property.

(f) If necessary to ensure that the Lease Payments payable after the issuance of Additional Bonds does not exceed the fair rental value of the Leased Property in any Rental Period, the Authority and the City shall have amended the Lease pursuant to Section 3.4 thereof to add additional property to the Leased Property.

(g) In the event that the Additional Bonds are being issued to finance the construction of a to-be-built project, and such project is to be part of the Leased Property prior to its completion, the Supplemental Indenture authorizing the issuance of such Additional Bonds shall require the deposit into a separate account (the "Capitalized Interest Account") in the Interest Account, or a subaccount therein, of an amount sufficient to pay interest on such Additional Bonds through a date which is not less than six months after the anticipated

completion date of the project, but only if such Additional Bonds are issued prior to the substantial completion of such project and only if the City is unable to make a finding that the fair rental value of the Leased Property prior to the completion of the project is equal to or greater than the aggregate amount of the Lease Payments and Additional Rental Payments coming due and payable during each Rental Period.

SECTION 2.09. *Proceedings for the Issuance of Additional Bonds* Whenever the Authority shall have determined to issue Additional Bonds pursuant to Section 2.08, the Authority shall enter into a Supplemental Indenture determining that the issuance of such Additional Bonds is necessary for the purposes specified in Section 2.08, specifying the principal amount of such Additional Bonds and prescribing the terms and conditions of such Additional Bonds and the funds to be established for the security and payment thereof. Before such Additional Bonds shall be issued and delivered, the Authority shall file the following documents with the Trustee:

(a) An executed copy of the Supplemental Indenture authorizing such Additional Bonds, together with a certified copy of the resolution of the Authority authorizing the issuance of such Additional Bonds and the execution of such Supplemental Indenture.

(b) An opinion of Bond Counsel stating: (i) that the execution and delivery of the Additional Bonds have been sufficiently and duly authorized by the Authority; (ii) that the issuance of the Additional Bonds is authorized by the Bond Law and this Indenture; (iii) that the Additional Bonds when duly executed and delivered, will be valid and binding obligations of the Authority, payable from Revenues in accordance with the terms of this Indenture and the Supplemental Indenture authorizing the issuance of such Additional Bonds; (iv) if the Additional Bonds are to be tax-exempt, that the interest on the Additional Bonds will be excluded from the gross income of the Owners thereof for federal income tax purposes; and (v) that the issuance of such Additional Bonds will not, of itself, cause interest on the 2024 Bonds to become includable in gross income for federal income tax purposes.

(c) A Certificate of the Authority certifying that the requirements set forth in Section 2.08 have been either met or provided for, together with a copy of the amendment to the Lease required by Section 2.08, together with a certified copy of the resolutions of the Authority and the City authorizing the execution of such amendment to the Lease.

(d) A copy of a letter sent by the City to each rating agency then rating the 2024 Bonds to notify each rating agency of the issuance of such Additional Bonds.

SECTION 2.10. *Applicability to Additional Bonds* Unless otherwise specified in the Supplemental Indenture pursuant to which an issue of Additional Bonds is issued, the provisions of Sections 2.03 through 2.09 shall apply to such issue of Additional Bonds.

ARTICLE III

ISSUANCE OF BONDS; APPLICATION OF PROCEEDS

SECTION 3.01. *Issuance of the 2024 Bonds*. At any time after the execution of this Indenture, the Authority may execute and the Trustee shall authenticate and, upon the Written Request of the Authority, deliver the 2024 Bonds to the Original Purchaser.

SECTION 3.02**.** *Application of Proceeds of Sale of Bonds.* On the Closing Date, the Original Purchaser will pay a purchase price for the 2024 Bonds in the amount of $_____, which is equal to the original principal amount of the 2024 Bonds ($_____), *plus* an original issue premium of $_____, *less* an underwriter's discount of $_____, and the Trustee shall apply such purchase price on the Closing Date in the following manner:

(a) the Trustee will deposit $_____ into the Project Fund, and

(b) the Trustee will deposit the remaining amount, equal to $_____ into the Costs of Issuance Fund.

The Trustee may establish a temporary fund or account in its records to facilitate such deposits or transfers. The deposits described in paragraphs (a) and (b) represent the full amount of the Site Lease Payments under Section 3 of the Site Lease.

SECTION 3.03. *Establishment and Application of Costs of Issuance Fund*. The Trustee shall establish, maintain and hold in trust a separate fund designated as the "Costs of Issuance Fund" into which the Trustee shall deposit a portion of the proceeds of sale of the 2024 Bonds under Section 3.02(b). The Trustee shall disburse amounts in the Costs of Issuance Fund from time to time to pay the Costs of Issuance upon submission of a Written Requisition of the Authority stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. Each such Written Requisition of the Authority shall be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of such facts. The Trustee may conclusively rely on such Written Requisitions and shall be fully protected in relying thereon. On the 180th day after the Closing Date, or upon the earlier Written Request of the Authority, the Trustee shall transfer all amounts remaining in the Costs of Issuance Fund to the Interest Account and shall thereupon close the Costs of Issuance Fund.

SECTION 3.04. *Establishment and Application of Project Fund*. The Trustee shall establish, maintain and hold in trust a separate fund designated as the "Project Fund" into which the Trustee shall deposit a portion of the proceeds of sale of the 2024 Bonds under Section 3.02(a).

The Trustee shall administer such fund as provided in this Section 3.04. Amounts on deposit in the Project Fund shall be used, as provided below, to pay the Project Costs, and to reimburse the City for the same. Pending such use, amounts on deposit in the Project Fund shall be invested only in Permitted Investments, with interest

earnings and other investment income thereon being retained therein. All moneys remaining in the Project Fund upon the completion of the Project (as determined by the City in its sole discretion with written notice to the Trustee) shall be transferred by the Trustee as hereinafter provided.

The Trustee shall, from time to time, disburse money from the Project Fund to pay the Project Costs for the Project, as hereinafter provided, in each case promptly after receipt of, and in accordance with, a Written Certificate in the form attached hereto as Appendix C.

In making such payments, the Trustee may rely upon the representations made in the Written Certificate. If for any reason the City should decide prior to the payment of any item in said Written Certificate not to pay such item, then it shall give written notice of such decision to the Trustee and thereupon the Trustee shall not make such payment, and the Trustee shall have no liability to the City or the designated payee as a result of such nonpayment. In no event shall the Trustee be responsible for the adequacy or due performance of any contracts relating to the Project or for the use or application of money properly disbursed pursuant to requests made under this Section 3.04.

If, after payment by the Trustee of all Written Certificates theretofore tendered to the Trustee under the provisions of this Section 3.04 and after the City has notified the Trustee of the completion of the Project, there shall remain any balance of money in the Project Fund, all money so remaining (other than a reasonable retainage to pay Project Costs, as determined in the sole discretion of the City with written notice to the Trustee) shall be transferred to the Principal Account and shall be applied to the prepayment of Lease Payments under Section 9.3 of the Lease and the corresponding redemption of the 2024 Bonds under Section 4.01(a).

At such time as no moneys remain in the Project Fund, the Project Fund shall be closed.

SECTION 3.05. *Validity of Bonds*. The recital contained in the 2024 Bonds that the same are issued under the Constitution and laws of the State of California shall be conclusive evidence of their validity and of compliance with the provisions of law in their issuance.

ARTICLE IV

REDEMPTION OF BONDS

SECTION 4.01. *Terms of Redemption*.

(a) Optional Redemption. The 2024 Bonds maturing on or before November 1, _____, are not subject to optional redemption prior to their stated maturity. The 2024 Bonds maturing on or after November 1, _____, are subject to redemption, as a whole or in part at the election of the Authority among maturities on such basis as designated by the Authority and by lot within a maturity, at the option of the Authority, on November 1, _____, and on any date thereafter, at a redemption price equal to 100%

of the principal amount of 2024 Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium.

The Authority must give the Trustee at least 10 days' written notice of its intention to redeem 2024 Bonds under this subsection (a), and the manner of selecting such 2024 Bonds for redemption from among the maturities thereof, in sufficient time for the Trustee to give notice of such redemption in accordance with Section 4.03.

(b) Special Mandatory Redemption From Insurance or Condemnation Proceeds. The 2024 Bonds are subject to redemption as a whole, or in part on a pro rata basis among maturities of the Bonds, on any date, from any Net Proceeds required to be used for such purpose as provided in Section 5.07, at a redemption price equal to 100% of the principal amount thereof plus interest accrued thereon to the date fixed for redemption, without premium.

(c) Mandatory Sinking Fund Redemption of Term Bonds. The Term Bonds are subject to mandatory redemption in whole, or in part by lot, from sinking fund payments made under Section 5.02(b) at a redemption price equal to the principal amount thereof to be redeemed, without premium, plus accrued interest to the date of redemption, in the aggregate respective principal amounts and on November 1 in the years as set forth in the following tables:

Term Bonds Maturing
November 1, ____

Payment Date (November 1)	Payment Amount

(Maturity)

If some but not all of the Term Bonds have been redeemed under subsection (a) of this Section, the total amount of all future sinking fund payments will be reduced by the aggregate principal amount of the Term Bonds so redeemed, to be allocated among such sinking fund payments on a pro rata basis as determined by the Authority, which shall notify the Trustee in writing of such determination.

SECTION 4.02. *Selection of Bonds for Redemption*. Whenever provision is made in this Indenture for the redemption of less than all of the 2024 Bonds of a single maturity, the Trustee shall select the 2024 Bonds of that maturity to be redeemed by lot in any manner which the Trustee in its sole discretion deems appropriate. For purposes of such selection, the Trustee shall treat each Bond as consisting of separate $5,000 portions and each such portion shall be subject to redemption as if such portion were a separate Bond.

Whenever less than all of the Outstanding Bonds of more than one series are called for redemption at any one time, the Trustee will select the Outstanding Bonds or portions thereof to be redeemed as directed by the Authority.

SECTION 4.03. *Notice of Redemption; Rescission*. The Trustee shall mail notice of redemption of the 2024 Bonds by first class mail, postage prepaid, not less than 20 nor more than 60 days before any redemption date, to the respective Owners of any 2024 Bonds designated for redemption at their addresses appearing on the Registration Books and to one or more Securities Depositories and to the Municipal Securities Rulemaking Board. Each notice of redemption shall state the date of the notice, the redemption date, the place or places of redemption, whether less than all of the 2024 Bonds (or all 2024 Bonds of a single maturity) are to be redeemed, the CUSIP numbers and (in the event that not all 2024 Bonds within a maturity are called for redemption) 2024 Bond numbers of the 2024 Bonds to be redeemed and the maturity or maturities of the 2024 Bonds to be redeemed, and in the case of 2024 Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed. Each such notice shall also state that on the redemption date there will become due and payable on each of said 2024 Bonds the redemption price thereof, and that from and after such redemption date interest thereon shall cease to accrue, and shall require that such 2024 Bonds be then surrendered to the Trustee. Neither the failure to receive any notice nor any defect therein shall affect the sufficiency of the proceedings for such redemption or the cessation of accrual of interest from and after the redemption date. Notice of redemption of 2024 Bonds shall be given by the Trustee, at the expense of the Authority, for and on behalf of the Authority.

Redemption notices may be conditional. The Authority has the right to rescind any notice of the redemption of 2024 Bonds under Section 4.01(a) by written notice to the Trustee on or prior to the dated 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 2024 Bonds then called for redemption, and such cancellation shall not constitute an Event of Default. The Authority and the Trustee have no liability to the Owners of the 2024 Bonds or any other party related to or arising from such rescission of redemption. The Trustee shall mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent under this Section.

SECTION 4.04. *Partial Redemption of 2024 Bonds*. Upon surrender of any 2024 Bonds redeemed in part only, the Authority shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the Authority, a new 2024 Bond or 2024 Bonds of authorized denominations equal in aggregate principal amount to the unredeemed portion of the 2024 Bonds surrendered.

SECTION 4.05. *Effect of Redemption*. Notice of redemption having been duly given as aforesaid, and moneys for payment of the redemption price of, together with interest accrued to the date fixed for redemption on, including any applicable premium, the 2024 Bonds (or portions thereof) so called for redemption being held by the Trustee, on the redemption date designated in such notice, the 2024 Bonds (or portions thereof) so called for redemption shall become due and payable, interest on the 2024 Bonds so called for redemption shall cease to accrue, said 2024 Bonds (or portions thereof) shall cease to be entitled to any benefit or security under this Indenture, and the Owners of

said 2024 Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof.

All 2024 Bonds redeemed under the provisions of this Article shall be canceled by the Trustee upon surrender thereof and destroyed in accordance with the retention policy of the Trustee then in effect.

ARTICLE V

REVENUES; FUNDS AND ACCOUNTS; PAYMENT OF PRINCIPAL AND INTEREST

SECTION 5.01. *Security for the 2024 Bonds; Bond Fund*.

(a) Pledge of Revenues and Other Amounts. Subject only to the provisions of this Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein, all of the Revenues and all amounts held in any fund or account established under this Indenture (except the Project Fund and the Costs of Issuance Fund) are hereby pledged to secure the payment of the principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) of and interest and premium (if any) on the Bonds in accordance with their terms and the provisions of this Indenture. Said pledge constitutes a lien on and security interest in the Revenues and such amounts and shall attach, be perfected and be valid and binding from and after the Closing Date, without the need for any physical delivery thereof or further act.

(b) Assignment to Trustee. Under the Assignment Agreement, the Authority has transferred to the Trustee all of the rights of the Authority in the Lease (other than the rights of the Authority under Sections 4.5, 5.10, 7.3 and 8.4 thereof and its rights to give approvals and consents thereunder). The Trustee is entitled to collect and receive all of the Revenues, and any Revenues collected or received by the Authority shall be deemed to be held, and to have been collected or received, by the Authority as the agent of the Trustee and shall forthwith be paid by the Authority to the Trustee. The Trustee is also entitled to and may, subject to the provisions of Article VIII, take all steps, actions and proceedings which the Trustee determines to be reasonably necessary in its judgment to enforce, either jointly with the Authority or separately, all of the rights of the Authority and all of the obligations of the City under the Lease.

(c) Deposit of Revenues in Bond Fund. All Revenues shall be promptly deposited by the Trustee upon receipt thereof in a special fund designated as the "Bond Fund" which the Trustee shall establish, maintain and hold in trust; except that all moneys received by the Trustee and required hereunder or under the Lease to be deposited in the Redemption Fund or the Insurance and Condemnation Fund shall be promptly deposited in such funds. All Revenues deposited with the Trustee shall be held, disbursed, allocated and applied by the Trustee only as provided in this Indenture. Any surplus remaining in the Bond Fund, after payment in full of (i) the principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) of and interest on the Bonds or provision therefore under Article X, and

(ii) any applicable fees and expenses to the Trustee, shall be withdrawn by the Trustee and remitted to the City.

SECTION 5.02. *Allocation of Revenues*. On or before each Interest Payment Date, the Trustee shall transfer from the Bond Fund and deposit into the following respective accounts (each of which the Trustee shall establish and maintain within the Bond Fund), the following amounts in the following order of priority:

(a) Deposit to Interest Account. The Trustee shall deposit in the Interest Account an amount required to cause the aggregate amount on deposit in the Interest Account to be at least equal to the amount of interest becoming due and payable on such Interest Payment Date on all Bonds then Outstanding.

(b) Deposit to Principal Account. The Trustee shall deposit in the Principal Account an amount required to cause the aggregate amount on deposit in the Principal Account to equal the principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) amount of the Bonds coming due and payable on such Interest Payment Date.

SECTION 5.03. *Application of Interest Account*. All amounts in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying interest on the Bonds as it comes due and payable (including accrued interest on any Bonds purchased or redeemed prior to maturity).

SECTION 5.04. *Application of Principal Account*. All amounts in the Principal Account shall be used and withdrawn by the Trustee solely to pay the principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) amount of the Bonds at their respective maturity dates.

SECTION 5.05. *Reserved*.

SECTION 5.06. *Application of Redemption Fund*. The Trustee shall establish and maintain the Redemption Fund, into which the Trustee shall deposit a portion of the Revenues received, in accordance with a Written Request of the Authority, amounts in which shall be used and withdrawn by the Trustee solely for the purpose of paying the principal and premium (if any) of the Bonds to be redeemed under Section 4.01(a) or (b); *provided, however*, that at any time prior to the selection of Bonds for redemption, the Trustee may apply such amounts to the purchase of Bonds at public or private sale, when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Interest Account) as shall be directed under a Written Request of the Authority, except that the purchase price (exclusive of accrued interest) may not exceed the redemption price then applicable to the Bonds. The Trustee shall be entitled to conclusively rely on any Written Request of the Authority received under this Section 5.06, and shall be fully protected in relying thereon.

SECTION 5.07. *Insurance and Condemnation Fund*.

(a) Establishment of Fund. Upon the receipt of proceeds of insurance or eminent domain with respect to the Leased Property, the Trustee shall establish and

maintain an Insurance and Condemnation Fund, to be held and applied as hereinafter set forth in this Section 5.07.

(b) Application of Insurance Proceeds. Any Net Proceeds of insurance against accident to or destruction of the Leased Property collected by the City or the Authority in the event of any such accident or destruction shall be paid to the Trustee under Section 6.3 of the Lease and deposited by the Trustee promptly upon receipt thereof in the Insurance and Condemnation Fund. If the City fails to determine and notify the Trustee in writing of its determination, within 90 days following the date of such deposit, to replace, repair, restore, modify or improve the Leased Property which has been damaged or destroyed, then such Net Proceeds shall be promptly transferred by the Trustee to the Redemption Fund and applied to the redemption of Bonds under Section 4.01(b). Notwithstanding the foregoing sentence, however, if the Leased Property is damaged or destroyed in full, the Net Proceeds of such insurance shall be used by the City to rebuild or replace the Leased Property if such proceeds are not sufficient to redeem Outstanding Bonds equal in aggregate principal amount to the unpaid Lease Payments allocable to the Leased Property. All proceeds deposited in the Insurance and Condemnation Fund and not so transferred to the Redemption Fund shall be applied to the prompt replacement, repair, restoration, modification or improvement of the damaged or destroyed portions of the Leased Property by the City, upon receipt of a Written Request of the City which: (i) states with respect to each payment to be made (A) the requisition number, (B) the name and address of the person to whom payment is due, (C) the amount to be paid and (D) that each obligation mentioned therein has been properly incurred, is a proper charge against the Insurance and Condemnation Fund and has not been the basis of any previous withdrawal; and (ii) specifies in reasonable detail the nature of the obligation. Any balance of the proceeds remaining after such work has been completed as certified by the City under a Written Certificate to the Trustee shall be paid to the City. The Trustee shall be entitled to conclusively rely on any Written Request or Written Certificate received under this subsection (b) of this Section 5.07 and in each case, shall be fully protected in relying thereon.

(c) Application of Eminent Domain Proceeds. If all or any part of the Leased Property is taken by eminent domain proceedings (or sold to a government threatening to exercise the power of eminent domain) the Authority shall deposit or cause to be deposited with the Trustee the Net Proceeds therefrom, which the Trustee shall deposit in the Insurance and Condemnation Fund under Section 6.2(b) of the Lease and which shall be applied and disbursed by the Trustee as follows:

(i) If the City has not given written notice to the Trustee, within 90 days following the date on which such Net Proceeds are deposited with the Trustee, of its determination that such Net Proceeds are needed for the replacement of the Leased Property or such portion thereof, the Trustee shall transfer such Net Proceeds to the Redemption Fund to be applied towards the redemption of the Bonds under Section 4.01(b).

(ii) If the City has given written notice to the Trustee, within 90 days following the date on which such Net Proceeds are deposited with the Trustee, of its determination that such Net Proceeds are needed for replacement of the Leased Property or such portion thereof, the Trustee shall pay to the City, or to its order, from said proceeds

such amounts as the City may expend for such replacement, upon the filing of Written Requisitions of the City as agent for the Authority.

In each case, the Trustee may conclusively rely upon any notice received under this subsection (c)(ii) of this Section and is protected in relying thereon.

(d) Reliance on Independent Advice. In making any such determination whether to repair, replace or rehabilitate the Leased Property under this Section 5.07, the City may obtain, but is not required to obtain, at its expense, the report of an independent engineer or other independent professional consultant, a copy of which must be filed with the Trustee. The Trustee shall have no duty to review or examine such report. Any such determination by the City is final.

Notwithstanding any other provision of this Section 5.07 or the Lease, the Trustee shall pay to the City all moneys in the Insurance and Condemnation Fund upon the Trustee's receipt of Written Request of the City which states that, pursuant to Section 3.2 of the Lease, the City has substituted other real property for the Leased Property that was damaged or destroyed and that there will be no abatement of the Lease Payments as a result of such damage or destruction.

SECTION 5.08. *Investments*. All moneys in any of the funds or accounts established with the Trustee under this Indenture shall be invested by the Trustee solely in Permitted Investments. Such investments shall be directed by the Authority in a Written Request of the Authority filed with the Trustee at least 2 Business Days in advance of the making of such investments. In the absence of any such directions from the Authority, the Trustee shall invest any such moneys in Permitted Investments which constitute money market funds; provided, however, that any such investment shall be made by the Trustee only if, prior to the date on which such investment is to be made, the Trustee shall have received a Written Request of the Authority specifying a specific money market fund and, if no such Written Request of the Authority is so received, the Trustee shall hold such moneys uninvested. Permitted Investments purchased as an investment of moneys in any fund shall be deemed to be part of such fund or account. To the extent Permitted Investments are registrable, such Permitted Investments must be registered in the name of the Trustee.

All interest or gain derived from the investment of amounts in any of the funds or accounts established hereunder shall be deposited in the Bond Fund, with the exception of the Project Fund. For purposes of acquiring any investments hereunder, the Trustee may commingle funds held by it hereunder. The Trustee or any of its affiliates may act as principal or agent in the acquisition or disposition of any investment and may impose its customary charges therefor. The Trustee shall incur no liability for losses arising from any investments made under this Section 5.08.

Subject to applicable law, the Trustee may make any investments hereunder through its own bond or investment department or trust investment department, or those of its parent or any affiliate. The Trustee or any of its affiliates may act as sponsor, advisor or manager to the investment provider in connection with any investments made by the Trustee hereunder. The Trustee is hereby authorized, in making or disposing of any investment permitted by this Section, to deal with itself (in its individual capacity) or

with any one or more of its affiliates, whether it or such affiliate is acting as an agent of the Trustee or for any third person or is dealing as a principal for its own account. The Trustee may, from time to time, provide the City and the Authority with a list of investments that are available on the Trustee's investment platform, but the Trustee will not give investment advice to the City or the Authority, and the City or the Authority may direct the Trustee to purchase investments that are not included on the list provided by the Trustee. The Trustee shall be entitled to rely conclusively on the Authority's investment direction as to the suitability and legality of the directed investments.

The Trustee shall furnish the Authority periodic cash transaction statements which include detail for all investment transactions effected by the Trustee or brokers selected by the Authority. Upon the Authority's election, such statements will be delivered via the Trustee's Online Trust and Custody service and upon electing such service, paper statements will be provided only upon request. The Authority waives the right to receive brokerage confirmations of security transactions effected by the Trustee as they occur, to the extent permitted by law. The Authority further understands that trade confirmations for securities transactions effected by the Trustee will be available upon request and at no additional cost and other trade confirmations may be obtained from the applicable broker.

Under Section 10.5 of the Lease, the City may direct the Authority as to the investment of funds under this Section 5.08, subject to compliance with the provisions of this Article V and Section 6.07.

SECTION 5.09. *Valuation and Disposition of Investments*.

(a) Except as otherwise provided in subsection (b) of this Section, the Authority covenants that all investments of amounts deposited in any fund or account created by or under this Indenture, 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 at the Fair Market Value thereof as such term is defined in subsection (d) below. The Trustee shall have no duty in connection with the determination of Fair Market Value other than to follow the investment directions of the Authority in any Written Request of the Authority.

(b) The investments in certain funds or accounts (or portions thereof) may be subject to a yield restriction under applicable provisions of the Tax Code; the Authority shall inform the Trustee in writing which funds are subject to a yield restriction.

(c) For the purpose of determining the amount in any fund or account established hereunder, the value of Permitted Investments credited to such fund shall be valued by the Trustee at least annually on or before July 15. The Trustee may sell or present for redemption, any Permitted Investment so purchased by the Trustee whenever it is necessary in order to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund to which such Permitted Investment is credited, and the Trustee shall not be liable or responsible for any loss resulting from any such Permitted Investment.

(d) For purposes of this Section 5.09, the term "Fair Market Value" means 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, or (iii) the investment is a United States Treasury Security -- State and Local Government Series which is acquired in accordance with applicable regulations of the United States Bureau of Public Debt.

(e) To the extent of any valuations made by the Trustee hereunder, the Trustee may utilize and rely upon computerized or generally recognized securities pricing services that may be available to it, including those available through its regular accounting system (including brokers and dealers).

ARTICLE VI

COVENANTS OF THE AUTHORITY

SECTION 6.01. *Punctual Payment*. The Authority shall punctually pay or cause to be paid the principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) of and interest and premium (if any) on all the Bonds in strict conformity with the terms of the Bonds and of this Indenture, according to the true intent and meaning thereof, but only out of the Revenues and other amounts pledged for such payment as provided in this Indenture.

SECTION 6.02. *Extension of Payment of Bonds*. The Authority shall not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any claims for interest by the purchase of such Bonds or by any other arrangement, and in case the maturity of any of the Bonds or the time of payment of any such claims for interest shall be extended, such Bonds or claims for interest shall not be entitled, in case of any default hereunder, to the benefits of this Indenture, except subject to the prior payment in full of the principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) of all of the Bonds then Outstanding and of all claims for interest thereon which have not been so extended. Nothing in this Section 6.02 limits the right of the Authority to issue Bonds for the purpose of refunding any Outstanding Bonds, and such issuance does not constitute an extension of maturity of the Bonds.

SECTION 6.03. *Against Encumbrances*. The Authority shall not create, or permit the creation of, any pledge, lien, charge or other encumbrance upon the Revenues and other assets pledged or assigned under this Indenture while any of the 2024 Bonds or any Additional Bonds are Outstanding, except the pledge and assignment created by this Indenture. Subject to this limitation, the Authority expressly reserves the right to enter into one or more other indentures for any of its corporate purposes, and reserves the right to issue other obligations for such purposes.

SECTION 6.04. *Power to Issue Bonds and Make Pledge and Assignment*. The Authority is duly authorized under law to issue the Bonds and to enter into this Indenture and to pledge and assign the Revenues and other amounts purported to be pledged and assigned, respectively, under this Indenture and under the Assignment Agreement in the manner and to the extent provided in this Indenture and the Assignment Agreement. The Bonds and the provisions of this Indenture are and will be the legal, valid and binding special obligations of the Authority in accordance with their terms, and the Authority and the Trustee shall at all times, subject to the provisions of Article VIII and to the extent permitted by law, defend, preserve and protect said pledge and assignment of Revenues and other assets and all the rights of the Bond Owners under this Indenture against all claims and demands of all persons whomsoever.

SECTION 6.05. *Accounting Records*. The Trustee shall at all times keep, or cause to be kept, proper books of record and account, prepared in accordance with corporate industry standards, in which complete and accurate entries shall be made of all transactions made by it relating to the proceeds of Bonds and all funds and accounts established under this Indenture. The Trustee shall make such books of record and account available for inspection by the Authority and the City, during business hours, upon reasonable notice, and under reasonable circumstances.

SECTION 6.06. *Reserved*.

SECTION 6.07. *Tax Covenants Applicable to the 2024 Bonds*.

(a) Private Business Use Limitation. The Authority shall assure that the proceeds of the 2024 Bonds are not used in a manner which would cause the 2024 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 Tax Code.

(b) Federal Guarantee Prohibition. The Authority may not take any action or permit or suffer any action to be taken if the result of the same would be to cause the 2024 Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Tax Code.

(c) No Arbitrage. The Authority may not take, or permit or suffer to be taken by the Trustee or otherwise, any action with respect to the proceeds of the 2024 Bonds or of any other obligations which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the Closing Date, would have caused the 2024 Bonds to be "arbitrage bonds" within the meaning of Section 148(a) of the Tax Code.

(d) Maintenance of Tax Exemption; Record Retention; Compliance with Tax Certificate.

(i) The Authority shall take all actions necessary to assure the exclusion of interest on the 2024 Bonds from the gross income of the Owners of the 2024 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 Closing Date.

(ii) The Authority will retain its records of all accounting and monitoring it carries out with respect to the Bonds for at least 3 years after the Bonds mature or are redeemed (whichever is earlier); however, if the Bonds are redeemed and refunded, the Authority 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 Bonds.

(iii) The Authority will comply with the provisions of the Certificate as to Arbitrage and the Use of Proceeds Certificate with respect to the Bonds, which are incorporated herein as if fully set forth herein. The covenants of this subsection will survive payment in full or defeasance of the Bonds.

(e) Rebate of Excess Investment Earnings to United States. The Authority shall calculate or cause to be calculated all amounts of excess investment earnings with respect to the 2024 Bonds which are required to be rebated to the United States of America under Section 148(f) of the Tax Code, at the times and in the manner required under the Tax Code. The Authority shall pay when due an amount equal to excess investment earnings to the United States of America in such amounts, at such times and in such manner as may be required under the Tax Code, such payments to be made from amounts paid by the City for that purpose under Section 4.5(d) of the Lease. The Authority shall keep or cause to be kept, and retain or cause to be retained for a period of six years following the retirement of the 2024 Bonds, records of the determinations made under this subsection (e).

SECTION 6.08. *Enforcement of Lease*. The Trustee shall promptly collect all amounts (to the extent any such amounts are available for collection) due from the City under the Lease. Subject to the provisions of Article VIII, the Trustee may enforce, and take all steps, actions and proceedings which are determined to be reasonably necessary for the enforcement of all of its rights thereunder as assignee of the Authority and for the enforcement of all of the obligations of the City under the Lease.

SECTION 6.09. *Waiver of Laws*. The Authority shall not at any time insist upon or plead in any manner whatsoever, or claim or take the benefit or advantage of, any stay or extension law now or at any time hereafter in force that may affect the covenants and agreements contained in this Indenture or in the 2024 Bonds, and all benefit or advantage of any such law or laws is hereby expressly waived by the Authority to the extent permitted by law.

SECTION 6.10. *Further Assurances*. The Authority will make, execute and deliver any and all such further indentures, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture and for the better assuring and confirming unto the Owners of the 2024 Bonds of the rights and benefits provided in this Indenture.

ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES

SECTION 7.01. *Events of Default*. The following events constitute Events of Default hereunder:

(a) Failure to pay any installment of the principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) of any Bonds when due, whether at maturity as therein expressed, by proceedings for redemption, by acceleration, or otherwise.

(b) Failure to pay any installment of interest on the Bonds when due.

(c) Failure by the Authority to observe and perform any of the other covenants, agreements or conditions on its part contained in this Indenture or in the Bonds, if such failure has continued for a period of 30 days after written notice thereof, specifying such failure and requiring the same to be remedied, has been given to the Authority by the Trustee; provided, however, if in the reasonable opinion of the Authority the failure stated in the notice can be corrected, but not within such 30-day period, such failure shall not constitute an Event of Default if the Authority institutes corrective action within such 30-day period and thereafter diligently and in good faith cures the failure in a reasonable period of time, which period shall end 180 days after the delivery of such default notice.

(d) The commencement by the Authority of a voluntary case under Title 11 of the United States Code or any substitute or successor statute.

(e) The occurrence and continuation of an event of default under and as defined in the Lease.

SECTION 7.02. *Remedies Upon Event of Default*. If any Event of Default occurs, then, and in each and every such case during the continuance of such Event of Default, the Trustee may, and at the written direction of the Owners of a majority in aggregate principal amount of the Bonds at the time Outstanding shall, in each case, upon receipt of indemnification satisfactory to Trustee against the costs, expenses and liabilities to be incurred in connection with such action, upon notice in writing to the Authority, declare the principal of all of the Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable, anything in this Indenture or in the Bonds contained to the contrary notwithstanding.

Any such declaration is subject to the condition that if, at any time after such declaration and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the Authority deposits with the Trustee a sum sufficient to pay all the principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) of and installments of interest on the Bonds

payment of which is overdue, with interest on such overdue principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) at the rate borne by the respective Bonds to the extent permitted by law, and the reasonable fees, charges and expenses (including those of its legal counsel, including the allocated costs of internal attorneys) of the Trustee, and any and all other Events of Default actually known to the Trustee (other than in the payment of principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) of and interest on the Bonds due and payable solely by reason of such declaration) have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate has been made therefor, then, and in every such case, the Owners of a majority in aggregate principal amount of the Bonds then Outstanding, by written notice to the Authority, the City and the Trustee, may, on behalf of the Owners of all of the Bonds, rescind and annul such declaration and its consequences and waive such Event of Default; but no such rescission and annulment shall extend to or shall affect any subsequent Event of Default, or shall impair or exhaust any right or power consequent thereon.

Nothing herein shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Bondholder any plan of reorganization, arrangement, adjustment, or composition affecting the Bonds or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Bondholder in any such proceeding without the approval of the Bondholders so affected.

SECTION 7.03. *Application of Revenues and Other Funds After Default*. If an Event of Default occurs and is continuing, all Revenues and any other funds then held or thereafter received by the Trustee under any of the provisions of this Indenture shall be applied by the Trustee in the following order of priority:

(a) To the payment of reasonable fees, charges and expenses of the Trustee (including reasonable fees and disbursements of its legal counsel including outside counsel and the allocated costs of internal attorneys) incurred in and about the performance of its powers and duties under this Indenture;

(b) To the payment of the principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) of and interest then due on the Bonds (upon presentation of the Bonds to be paid, and stamping or otherwise noting thereon of the payment if only partially paid, or surrender thereof if fully paid) in accordance with the provisions of this Indenture, as follows:

First: To the payment to the persons entitled thereto of all installments of interest then due in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference;

Second: To the payment to the persons entitled thereto of the unpaid principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) of any Bonds which shall have become due, whether at maturity or by acceleration or redemption, with interest on the overdue principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) at the rate borne by the respective Bonds (to the extent permitted by law), and, if the amount available shall not be sufficient to pay in full all the Bonds, together with such interest, then to the payment thereof ratably, according to the amounts of principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) due on such date to the persons entitled thereto, without any discrimination or preference; and

SECTION 7.04. *Trustee to Represent Bond Owners*. The Trustee is hereby irrevocably appointed (and the successive respective Owners of the Bonds, by taking and holding the same, shall be conclusively deemed to have so appointed the Trustee) as trustee and true and lawful attorney-in-fact of the Owners of the Bonds for the purpose of exercising and prosecuting on their behalf such rights and remedies as may be available to such Owners under the provisions of the Bonds, this Indenture and applicable provisions of any law. All rights of action under this Indenture or the Bonds may be prosecuted and enforced by the Trustee without the possession of any of the Bonds or the production thereof in any proceeding relating thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in the name of the Trustee for the benefit and protection of all the Owners of such Bonds, subject to the provisions of this Indenture. Notwithstanding anything contained herein or in the Lease to the contrary, upon the occurrence and continuance of an Event of Default, before taking any foreclosure action or any action which may subject the Trustee to liability under any federal, state or local environmental law, statute, regulation or ordinance, the Trustee may require that a satisfactory indemnity bond, indemnity or environmental impairment insurance be furnished for the payment or reimbursement of all expenses to which it may be put and to protect it against all liability resulting from any claims, judgments, damages, losses, penalties, fines, liabilities (including strict liability) and expenses which may result from such foreclosure or other action. The Trustee shall not be required to take any foreclosure action if the approval of a government regulator shall be a condition precedent to taking such action, and such approval cannot be obtained.

Anything in the Indenture or Lease to the contrary notwithstanding, the Trustee shall not be required to enter, take possession of, or take any other action whatsoever with respect to the Leased Property unless the Trustee is satisfied that the Trustee will not be subject to any liability under any local, state, or federal environmental laws or regulations of any kind whatsoever or from any circumstances present at the Leased Property relating to the presence, use, management, disposal or contamination by any environmentally hazardous materials or substances of any kind whatsoever.

SECTION 7.05. *Limitation on Bond Owners' Right to Sue*. Notwithstanding any other provision hereof, no Owner of any Bonds has the right to institute any suit, action or proceeding at law or in equity, for the protection or enforcement of any right or remedy under this Indenture, the Lease or any other applicable law with respect to such Bonds,

unless (a) such Owner has given to the Trustee written notice of the occurrence of an Event of Default; (b) the Owners of a majority in aggregate principal amount of the Bonds then Outstanding have requested the Trustee in writing to exercise the powers hereinbefore granted or to institute such suit, action or proceeding in its own name; (c) such Owner or Owners have tendered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request; (d) the Trustee has failed to comply with such request for a period of 60 days after such written request has been received by, and said tender of indemnity has been made to, the Trustee; and (e) no direction inconsistent with such written request has been given to the Trustee during such 60 day period by the Owners of a majority in aggregate principal amount of the Bonds then Outstanding.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of Bonds of any remedy hereunder or under law; it being understood and intended that no one or more Owners of Bonds shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Indenture or the rights of any other Owners of Bonds, or to enforce any right under the Bonds, this Indenture, the Lease or other applicable law with respect to the Bonds, except in the manner herein provided, and that all proceedings at law or in equity to enforce any such right shall be instituted, had and maintained in the manner herein provided and for the benefit and protection of all Owners of the Outstanding Bonds, subject to the provisions of this Indenture.

SECTION 7.06. *Absolute Obligation of Authority*. Nothing herein or in the Bonds contained affects or impairs the obligation of the Authority, which is absolute and unconditional, to pay the principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) of and interest and premium (if any) on the Bonds to the respective Owners of the Bonds at their respective dates of maturity, or upon acceleration or call for redemption, as herein provided, but only out of the Revenues and other assets herein pledged therefor, or affect or impair the right of such Owners, which is also absolute and unconditional, to enforce such payment by virtue of the contract embodied in the Bonds.

SECTION 7.07. *Termination of Proceedings*. In case any proceedings taken by the Trustee or by any one or more Bond Owners on account of any Event of Default have been discontinued or abandoned for any reason or have been determined adversely to the Trustee or the Bond Owners, then in every such case the Authority, the Trustee and the Bond Owners, subject to any determination in such proceedings, shall be restored to their former positions and rights hereunder, severally and respectively, and all rights, remedies, powers and duties of the Authority, the Trustee and the Bond Owners shall continue as though no such proceedings had been taken.

SECTION 7.08. *Remedies Not Exclusive*. No remedy herein conferred upon or reserved to the Trustee, to the Owners of the Bonds is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

SECTION 7.09. *No Waiver of Default*. No delay or omission of the Trustee or any Owner of the Bonds to exercise any right or power arising upon the occurrence of any

default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default or an acquiescence therein; and every power and remedy given by this Indenture to the Trustee or to the Owners of the Bonds may be exercised from time to time and as often as may be deemed expedient by the Trustee or the Bond Owners.

SECTION 7.10. *Notice to Bond Owners of Default.* Immediately upon becoming aware of the occurrence of an Event of Default, but in no event later than five Business Days following becoming aware of such occurrence, the Trustee shall promptly give written notice thereof by first class mail, postage prepaid, to the Owner of each Outstanding Bond, unless such Event of Default has been cured before the giving of such notice; *provided, however* that except in the case of an Event of Default described in Sections 7.01(a) or 7.01(b), the Trustee may elect not to give such notice to the Bond Owners if and so long as the Trustee in good faith determines that it is in the best interests of the Bond Owners not to give such notice.

ARTICLE VIII

THE TRUSTEE

SECTION 8.01. *Appointment of Trustee.* U.S. Bank Trust Company, National Association is hereby appointed Trustee by the Authority for the purpose of receiving all moneys required to be deposited with the Trustee hereunder and to allocate, use and apply the same as provided in this Indenture. The Authority will maintain a Trustee which is qualified under the provisions of the foregoing provisions of this Article VIII, so long as any Bonds are Outstanding.

SECTION 8.02. *Acceptance of Trusts; Removal and Resignation of Trustee.* The Trustee hereby accepts the express trusts imposed upon it by this Indenture, and agrees to perform said trusts, but only upon and subject to the following express terms and conditions:

(a) The Trustee shall, prior to an Event of Default, and after the curing or waiver of all Events of Default which may have occurred, perform such duties and only such duties as are expressly and specifically set forth in this Indenture and no implied duties or covenants shall be read into this Indenture against the Trustee. If an Event of Default has occurred (which has not been cured), the Trustee shall exercise such of the rights and powers vested in it by hereunder, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

(b) The Authority may remove the Trustee upon 30 days' prior notice, unless an Event of Default has occurred and is then continuing, and shall remove the Trustee (a) if at any time requested to do so by the Owners of a majority in aggregate principal amount of the Bonds then Outstanding (or their attorneys duly authorized in writing) or (b) if at any time the Trustee ceases to be eligible in accordance

with Section 8.02, or becomes incapable of acting, or is adjudged a bankrupt or insolvent, or a receiver of the Trustee or its property is appointed, or any public officer takes control or charge of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation.

(c) The Trustee may at any time resign by giving written notice of such resignation to the Authority and the City, and by giving the Bond Owners notice of such resignation by mail at the addresses shown on the Registration Books.

(d) Any removal or resignation of the Trustee and appointment of a successor Trustee shall become effective upon acceptance of appointment by the successor Trustee. In the event of the removal or resignation of the Trustee under subsections (b) or (c), respectively, the Authority shall promptly appoint a successor Trustee.

If no successor Trustee has been appointed and accepted appointment within 45 days of giving notice of removal or notice of resignation as aforesaid, the retiring Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee, and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor Trustee. Any successor Trustee appointed under this Indenture, must signify its acceptance of such appointment by executing and delivering to the Authority, to its predecessor Trustee a written acceptance thereof, and after payment by the Authority of all unpaid fees and expenses of the predecessor Trustee, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become vested with all the moneys, estates, properties, rights, powers, trusts, duties and obligations of such predecessor Trustee, with like effect as if originally named Trustee herein; but, nevertheless at the Written Request of the Authority or the request of the successor Trustee, such predecessor Trustee shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Trustee all the right, title and interest of such predecessor Trustee in and to the Leased Property held by such predecessor Trustee under this Indenture and shall pay over, transfer, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Upon request of the successor Trustee, the Authority shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Trustee all such moneys, estates, properties, rights, powers, trusts, duties and obligations. Upon acceptance of appointment by a successor Trustee as provided in this subsection, the Authority shall promptly mail or cause the successor trustee to mail a notice of the succession of such Trustee to the trusts hereunder to each rating

agency which is then rating the Bonds and to the Bond Owners at the addresses shown on the Registration Books. If the Authority fails to mail such notice within 15 days after acceptance of appointment by the successor Trustee, the successor Trustee shall cause such notice to be mailed at the expense of the Authority.

(e) Any Trustee appointed under this Indenture shall be a corporation or association organized and doing business under the laws of any state or the United States of America or the District of Columbia, shall be authorized under such laws to exercise corporate trust powers, shall have (or, in the case of a corporation or association that is a member of a bank holding company system, the related bank holding company has) a combined capital and surplus of at least $50,000,000, and shall be subject to supervision or examination by a federal or state agency, so long as any Bonds are Outstanding. If such corporation or association publishes a report of condition at least annually under law or to the requirements of any supervising or examining agency above referred to, then for the purpose of this subsection (e), the combined capital and surplus of such corporation or association shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If the Trustee at any time ceases to be eligible in accordance with the provisions of this subsection (e), the Trustee shall resign immediately in the manner and with the effect specified in this Section.

SECTION 8.03. *Merger or Consolidation*. Any bank, national banking association, federal savings association, or trust company into which the Trustee may be merged or converted or with which it may be consolidated or any bank, national banking association, federal savings association, or trust company resulting from any merger, conversion or consolidation to which it shall be a party or any bank, national banking association, federal savings association, or trust company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such bank, national banking association, federal savings association, or trust company shall be eligible under subsection (e) of Section 8.02 shall be the successor to such Trustee, without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

SECTION 8.04. *Liability of Trustee*.

(a) The recitals of facts herein and in the Bonds contained shall be taken as statements of the Authority, and the Trustee shall not assume responsibility for the correctness of the same, or make any representations as to the validity or sufficiency of this Indenture, the Bonds or the Lease (including any right to receive moneys thereunder or the value of or title to the premises upon which the Leased Property is located), nor shall the Trustee incur any responsibility in respect thereof, other than as expressly stated herein in connection with the respective duties or obligations of Trustee herein or in the Bonds assigned to or imposed upon it. The Trustee shall, however, be responsible for its representations contained in its certificate of authentication on the Bonds. The Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct. The Trustee may

become the Owner of Bonds with the same rights it would have if it were not Trustee, and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Bond Owners, whether or not such committee shall represent the Owners of a majority in principal amount of the Bonds then Outstanding.

(b) The Trustee is not liable for any error of judgment made by a responsible officer, unless it is proved that the Trustee was negligent in ascertaining the pertinent facts.

(c) The Trustee is not liable with respect to any action taken or omitted to be taken by it in accordance with the direction of the Owners of a majority in aggregate principal amount of the Bonds at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture or assigned to it under the Assignment Agreement.

(d) The Trustee is not liable for any action taken by it and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture.

(e) The Trustee shall not be deemed to have knowledge of any Event of Default hereunder, or any other event which, with the passage of time, the giving of notice, or both, would constitute an Event of Default hereunder unless and until it shall have actual knowledge thereof, or a corporate trust officer shall have received written notice thereof at its Office from the City, the Authority or the Owners of at least 25% in aggregate principal amount of the Outstanding Bonds. Except as otherwise expressly provided herein, the Trustee shall not be bound to ascertain or inquire as to the performance or observance by the Authority or the City of any of the terms, conditions, covenants or agreements herein, under the Lease or the Bonds or of any of the documents executed in connection with the Bonds, or as to the existence of a default or an Event of Default or an event which would, with the giving of notice, the passage of time, or both, constitute an Event of Default. The Trustee is not responsible for the validity, effectiveness or priority of any collateral given to or held by it. Without limiting the generality of the foregoing, the Trustee shall not be required to ascertain or inquire as to the performance or observance by the City or the Authority of the terms, conditions, covenants or agreements set forth in the Lease, other than the covenants of the City to make Lease Payments to the Trustee when due and to file with the Trustee when due, such reports and certifications as the City is required to file with the Trustee thereunder.

(f) No provision of this Indenture requires the Trustee 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.

(g) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or through agents, receivers or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent, receiver or attorney appointed with due care by it hereunder.

(h) The Trustee has no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of the Bond Owners under this Indenture, unless such Owners have offered to the Trustee security or indemnity satisfactory to it against the costs, expenses and liabilities (including but not limited to fees and expenses of its attorneys), including, without limitations, any liability arising under federal, state or local environmental laws which might be incurred by it in compliance with such request or direction. No permissive power, right or remedy conferred upon the Trustee hereunder shall be construed to impose a duty to exercise such power, right or remedy.

(i) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee is subject to the provisions of Section 8.02(a), this Section 8.04 and Section 8.05, and shall be applicable to the assignment of any rights under the Lease to the Trustee under the Assignment Agreement.

(j) The Trustee is not accountable to anyone for the subsequent use or application of any moneys (including the proceeds of the Bonds) which are released or withdrawn in accordance with the provisions hereof.

(k) The Trustee makes no representation or warranty, expressed or implied as to the title, value, design, compliance with specifications or legal requirements, quality, durability, operation, condition, merchantability or fitness for any particular purpose for the use contemplated by the Authority or the City of the Leased Property. In no event shall the Trustee be liable for incidental, punitive, indirect, special or consequential damages in connection with or arising from the Lease or this Indenture for the existence, furnishing or use of the Leased Property.

(l) The Trustee has no responsibility with respect to any information, statement, or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Bonds.

(m) The Trustee is authorized and directed to execute the Assignment Agreement in its capacity as Trustee hereunder.

(n) The Trustee shall have the right to accept and act upon instructions, including funds transfer instructions (“Instructions”) given pursuant to this Indenture 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 Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder); provided, however, that the Authority and/or City shall provide to the Trustee 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 Authority and/or the City whenever a person is to be added or deleted from the listing. If the Authority and/or City elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee’s reasonable understanding of such Instructions shall be deemed controlling. The Authority and City understand and agree that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall

conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The Authority and City shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and that the Authority, 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 Authority and/or City. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The Authority and City agree: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee 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 Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Authority and 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 Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

(o) In acting or omitting to act pursuant to the Assignment Agreement, the Lease or the Site Lease, the Trustee shall be entitled to all of the rights, immunities and indemnities accorded to it under this Indenture, including, but not limited to, this Article VIII. Notwithstanding the effective date of this Indenture or anything to the contrary in this Indenture, the Trustee shall have no liability or responsibility for any act or event relating to this Indenture which occurs prior to the date the Trustee formally executes this Indenture and commences acting as Trustee hereunder.

(p) The Trustee shall not be liable to the parties hereto or deemed in breach or default hereunder if and to the extent its performance hereunder is prevented by reason of force majeure. The term "force majeure" means an occurrence that is beyond the control of the Trustee and could not have been avoided by exercising due care. Force majeure shall include, but not be limited to, acts of God, terrorism, war, riots, strikes, fire, floods, earthquakes, epidemics or other similar occurrences.

SECTION 8.05. *Right to Rely on Documents*. The Trustee shall be protected and shall incur no liability in acting or refraining from acting in reliance upon any notice, resolution, request, consent, order, certificate, report, opinion, bonds or other paper or document believed by them to be genuine and to have been signed or presented by the proper party or parties. The Trustee is under no duty to make any investigation or inquiry as to any statements contained or matter referred to in any paper or document but may accept and conclusively rely upon the same as conclusive evidence of the truth and accuracy of any such statement or matter and shall be fully protected in relying thereon. The Trustee may consult with counsel, who may be counsel of or to the Authority, 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.

The Trustee may treat the Owners of the Bonds appearing in the Registration Books as the absolute owners of the Bonds for all purposes and the Trustee shall not be affected by any notice to the contrary.

Whenever in the administration of the trusts imposed upon it by this Indenture the Trustee deems 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 be deemed to be conclusively proved and established by a Written Certificate, Written Request or Written Requisition of the Authority or the City, and such Written Certificate, Written Request or Written Requisition shall be full warrant to the Trustee for any action taken or suffered under the provisions of this Indenture in reliance upon such Written Certificate, Written Request or Written Requisition, and the Trustee shall be fully protected in relying thereon, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may deem reasonable.

SECTION 8.06. *Preservation and Inspection of Documents*. All documents received by the Trustee under the provisions of this Indenture shall be retained in its respective possession and in accordance with its retention policy then in effect and shall, upon reasonable notice to Trustee, be subject to the inspection of the Authority, the City and any Bond Owner, and their agents and representatives duly authorized in writing, during business hours and under reasonable conditions as agreed to by the Trustee.

SECTION 8.07. *Compensation and Indemnification*. The Authority shall pay to the Trustee from time to time, on demand, the compensation for all services rendered under this Indenture and also all reasonable expenses, advances (including any interest on advances), charges, legal (including outside counsel and the allocated costs of internal attorneys) and consulting fees and other disbursements, incurred in and about the performance of its powers and duties under this Indenture.

The Authority shall indemnify the Trustee, its officers, directors, employees and agents against any cost, loss, liability, suit, claim, damages, judgment or expense whatsoever (including but not limited to fees and expenses of its attorneys) incurred without negligence or willful misconduct on its part, arising out of or in connection with the acceptance or administration of this trust and this Indenture, the Assignment Agreement, the Site Lease and the Lease, including costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers hereunder or under the Assignment Agreement or the Lease. As security for the performance of the obligations of the Authority under this Section 8.07 and the obligation of the Authority to make Additional Rental Payments to the Trustee, the Trustee shall have a lien prior to the lien of the Bonds upon all property and funds held or collected by the Trustee as such. The rights of the Trustee and the obligations of the Authority under this Section 8.07 shall survive the resignation or removal of the Trustee or the discharge of the Bonds and this Indenture and the Lease. When the Trustee incurs expenses or renders services after the occurrence of an Event of Default, such expenses and the compensation for such services are intended to constitute expenses of administration under any federal or state bankruptcy, insolvency, arrangement, moratorium, reorganization or other debtor relief law.

ARTICLE IX

MODIFICATION OR AMENDMENT HEREOF

SECTION 9.01. *Amendments Permitted*.

(a) Amendments With Bond Owner Consent. This Indenture and the rights and obligations of the Authority and of the Owners of the Bonds and of the Trustee may be modified or amended from time to time and at any time by Supplemental Indenture, which the Authority and the Trustee may enter into when the written consents of the Owners of a majority in aggregate principal amount of all Bonds then Outstanding are filed with the Trustee. No such modification or amendment may (i) extend the fixed maturity of any Bonds, or reduce the amount of principal thereof or extend the time of payment, or change the method of computing the rate of interest thereon, or extend the time of payment of interest thereon, without the consent of the Owner of each Bond so affected, or (ii) reduce the aforesaid percentage of Bonds the consent of the Owners of which is required to effect any such modification or amendment, or permit the creation of any lien on the Revenues and other assets pledged under this Indenture prior to or on a parity with the lien created by this Indenture except as permitted herein, or deprive the Owners of the Bonds of the lien created by this Indenture on such Revenues and other assets (except as expressly provided in this Indenture), without the consent of the Owners of all of the Bonds then Outstanding. It is not necessary for the consent of the Bond Owners to approve the particular form of any Supplemental Indenture, but it is sufficient if such consent approves the substance thereof.

(b) Amendments Without Owner Consent. This Indenture and the rights and obligations of the Authority, of the Trustee and the Owners of the Bonds may also be modified or amended from time to time and at any time by a Supplemental Indenture, which the Authority and the Trustee may enter into without the consent of any Bond Owners, if the Trustee has been furnished an opinion of counsel that the provisions of such Supplemental Indenture shall not materially adversely affect the interests of the Owners of the Bonds, including, without limitation, for any one or more of the following purposes:

(i) to add to the covenants and agreements of the Authority in this Indenture contained, other covenants and agreements thereafter to be observed, to pledge or assign additional security for the Bonds (or any portion thereof), or to surrender any right or power herein reserved to or conferred upon the Authority;

(ii) to cure any ambiguity, inconsistency or omission, or to cure or correct any defective provision, contained in this Indenture, or in regard to matters or questions arising under this Indenture, as the Authority deems necessary or desirable, provided that such modification or amendment does not materially adversely affect the interests of the Bond Owners, in the opinion of Bond Counsel filed with the Trustee;

(iii) to modify, amend or supplement this Indenture in such manner as to permit the qualification hereof under the Trust Indenture Act of

1939, as amended, or any similar federal statute hereafter in effect, and to add such other terms, conditions and provisions as may be permitted by said act or similar federal statute;

(iv) to modify, amend or supplement this Indenture in such manner as to assure that the interest on the 2024 Bonds remains excluded from gross income under the Tax Code; or

(v) to provide for the issuance of Additional Bonds pursuant to Section 2.08 hereof.

(c) Limitation. The Trustee is not obligated to enter into any Supplemental Indenture authorized by subsections (a) or (b) of this Section 9.01 which materially adversely affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

(d) Bond Counsel Opinion Requirement. Prior to the Trustee entering into any Supplemental Indenture hereunder, the Authority shall deliver to the Trustee an opinion of Bond Counsel stating, in substance, that such Supplemental Indenture has been adopted in compliance with the requirements of this Indenture and that the adoption of such Supplemental Indenture will not, in and of itself, adversely affect the exclusion from gross income for purposes of federal income taxes of interest on the Bonds.

(e) Notice of Amendments. The Authority shall deliver or cause to be delivered a draft of any Supplemental Indenture to each rating agency which then maintains a rating on the Bonds, at least 10 days prior to the effective date of such Supplemental Indenture under this Section 9.01.

SECTION 9.02. *Effect of Supplemental Indenture*. Upon the execution of any Supplemental Indenture under this Article IX, this Indenture shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Indenture of the Authority, the Trustee and all Owners of Bonds Outstanding shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any such Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

SECTION 9.03. *Endorsement of Bonds; Preparation of New Bonds*. Bonds delivered after the execution of any Supplemental Indenture under this Article may, and if the Authority so determines shall, bear a notation by endorsement or otherwise in form approved by the Authority as to any modification or amendment provided for in such Supplemental Indenture, and, in that case, upon demand on the Owner of any Bonds Outstanding at the time of such execution and presentation of his Bonds for the purpose at the Office of the Trustee or at such additional offices as the Trustee may select and designate for that purpose, a suitable notation shall be made on such Bonds. If the Supplemental Indenture shall so provide, new Bonds so modified as to conform, in the opinion of the Authority, to any modification or amendment contained in such Supplemental Indenture, shall be prepared and executed by the Authority and authenticated by the Trustee, and upon demand on the Owners of any Bonds then Outstanding shall be exchanged at the Office of the Trustee, without cost to any Bond

Owner, for Bonds then Outstanding, upon surrender for cancellation of such Bonds, in equal aggregate principal amount of the same maturity.

SECTION 9.04. *Amendment of Particular Bonds*. The provisions of this Article IX do not prevent any Bond Owner from accepting any amendment as to the particular Bonds held by such Owner.

ARTICLE X

DEFEASANCE

SECTION 10.01. *Discharge of Indenture*. Any or all of the Outstanding Bonds may be paid by the Authority in any of the following ways, provided that the Authority also pays or causes to be paid any other sums payable hereunder by the Authority:

(a) by paying or causing to be paid the principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) of and interest and premium (if any) on such Bonds, as and when the same become due and payable;

(b) by depositing with the Trustee, in trust, at or before maturity, money or securities in the necessary amount (as provided in Section 10.03) to pay or redeem such Bonds; or

(c) by delivering all of such Bonds to the Trustee for cancellation.

If the Authority also pays or causes to be paid all other sums payable hereunder by the Authority, then and in that case, at the election of the Authority (evidenced by a Written Certificate of the Authority, filed with the Trustee, signifying the intention of the Authority to discharge all such indebtedness and this Indenture), and notwithstanding that any of such Bonds shall not have been surrendered for payment, this Indenture and the pledge of Revenues and other assets made under this Indenture with respect to such Bonds and all covenants, agreements and other obligations of the Authority under this Indenture with respect to such Bonds shall cease, terminate, become void and be completely discharged and satisfied, subject to Section 10.02, and except for Section 8.07 hereof, which shall survive. In such event, upon the Written Request of the Authority, the Trustee shall execute and deliver to the Authority all such instruments as may be necessary or desirable to evidence such discharge and satisfaction, and the Trustee shall pay over, transfer, assign or deliver to the City all moneys or securities or other property held by it under this Indenture which are not required for the payment or redemption of any of such Bonds not theretofore surrendered for such payment or redemption. The Trustee is entitled to conclusively rely on any such Written Certificate or Written Request and, in each case, is fully protected in relying thereon.

SECTION 10.02. *Discharge of Liability on Bonds*. Upon the deposit with the Trustee, in trust, at or before maturity, of money or securities in the necessary amount (as provided in Section 10.03) to pay or redeem any Outstanding Bonds (whether upon or prior to the maturity or the redemption date of such Bonds), provided that, if such Bonds are to be redeemed prior to maturity, notice of such redemption shall have been

given as provided in Article IV or provision satisfactory to the Trustee shall have been made for the giving of such notice, then all liability of the Authority in respect of such Bonds shall cease, terminate and be completely discharged, and the Owners thereof shall thereafter be entitled only to payment out of such money or securities deposited with the Trustee as aforesaid for their payment, subject, however, to the provisions of Section 10.04.

The Authority may at any time surrender to the Trustee, for cancellation by the Trustee, any Bonds previously issued and delivered, which the Authority may have acquired in any manner whatsoever, and such Bonds, upon such surrender and cancellation, shall be deemed to be paid and retired.

SECTION 10.03. *Deposit of Money or Securities with Trustee*. Whenever in this Indenture it is provided or permitted that there be deposited with or held in trust by the Trustee money or securities in the necessary amount to pay or redeem any Bonds, the money or securities so to be deposited or held may include money or securities held by the Trustee in the funds and accounts established under this Indenture and shall be:

(a) lawful money of the United States of America in an amount equal to the principal amount of such Bonds and all unpaid interest thereon to maturity, except that, in the case of Bonds which are to be redeemed prior to maturity and in respect of which notice of such redemption shall have been given as provided in Article IV or provision satisfactory to the Trustee shall have been made for the giving of such notice, the amount to be deposited or held shall be the principal amount of such Bonds, premium, if any, and all unpaid interest thereon to the redemption date; or

(b) non-callable Federal Securities, the principal of and interest on which when due will, in the written opinion of an Independent Accountant filed with the City, the Authority and the Trustee, provide money sufficient to pay the principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) of and interest and premium (if any) on the Bonds to be paid or redeemed, as such principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption), interest and premium become due, provided that in the case of Bonds which are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as provided in Article IV or provision satisfactory to the Trustee has been made for the giving of such notice;

provided, in each case, that (i) the Trustee shall have been irrevocably instructed (by the terms of this Indenture or by Written Request of the Authority) to apply such money to the payment of such principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption), interest and premium (if any) with respect to such Bonds, and (ii) the Authority shall have delivered to the Trustee an opinion of Bond Counsel to the effect that such Bonds have been discharged in accordance with this Indenture (which opinion may rely upon and assume the accuracy of the Independent Accountant's opinion referred to above). The Trustee shall be

entitled to conclusively rely on such Written Request or opinion and shall be fully protected, in each case, in relying thereon.

SECTION 10.04. *Unclaimed Funds*. Notwithstanding any provisions of this Indenture, any moneys held by the Trustee in trust for the payment of the principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) of, or interest on, any Bonds and remaining unclaimed for 2 years after the principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) of all of the Bonds has become due and payable (whether at maturity or upon call for redemption or by acceleration as provided in this Indenture), if such moneys were so held at such date, or 2 years after the date of deposit of such moneys if deposited after said date when all of the Bonds became due and payable, shall be repaid (without liability for interest) to the Authority free from the trusts created by this Indenture, and all liability of the Trustee with respect to such moneys shall thereupon cease; *provided, however*, that before the repayment of such moneys to the Authority as aforesaid, the Trustee shall (at the cost of the Authority) first mail to the Owners of Bonds which have not yet been paid, at the addresses shown on the Registration Books, a notice, in such form as may be deemed appropriate by the Trustee with respect to the Bonds so payable and not presented and with respect to the provisions relating to the repayment to the Authority of the moneys held for the payment thereof.

ARTICLE XI

MISCELLANEOUS

SECTION 11.01. *Liability of Authority Limited to Revenues*. Notwithstanding anything in this Indenture or in the Bonds contained, the Authority is not required to advance any moneys derived from any source other than the Revenues, the Additional Rental Payments and other assets pledged under this Indenture for any of the purposes in this Indenture mentioned, whether for the payment of the principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) of or interest on the Bonds or for any other purpose of this Indenture. Nevertheless, the Authority may, but is not required to, advance for any of the purposes hereof any funds of the Authority which may be made available to it for such purposes.

SECTION 11.02. *Limitation of Rights to Parties and Bond Owners*. Nothing in this Indenture or in the Bonds expressed or implied is intended or shall be construed to give to any person other than the Authority, the Trustee, the City and the Owners of the Bonds, any legal or equitable right, remedy or claim under or in respect of this Indenture or any covenant, condition or provision therein or herein contained; and all such covenants, conditions and provisions are and shall be held to be for the sole and exclusive benefit of the Authority, the Trustee, the City and the Owners of the Bonds.

SECTION 11.03. *Funds and Accounts*. Any fund or account required by this Indenture to be established and maintained by the Trustee may be established and maintained in the accounting records of the Trustee, either as a fund or an account, and may, for the purposes of such records, any audits thereof and any reports or statements with respect thereto, be treated either as a fund or as an account; but all such records

with respect to all such funds and accounts shall at all times be maintained in accordance with corporate industry standards to the extent practicable, and with due regard for the requirements of Section 6.05 and for the protection of the security of the Bonds and the rights of every Owner thereof. The Trustee may establish such funds and accounts as it deems necessary or appropriate to perform its obligations under this Indenture.

SECTION 11.04. *Waiver of Notice; Requirement of Mailed Notice*. Whenever in this Indenture the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the person entitled to receive such notice and in any such case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver. Whenever in this Indenture any notice is required to be given by mail, such requirement may be satisfied by the deposit of such notice in the United States mail, postage prepaid, by first class mail.

SECTION 11.05. *Destruction of Bonds*. Whenever in this Indenture provision is made for the cancellation by the Trustee, and the delivery to the Authority, of any Bonds, the Trustee shall destroy such Bonds as may be allowed by law and, upon the Authority's request, deliver a certificate of such destruction to the Authority.

SECTION 11.06. *Severability of Invalid Provisions*. If any one or more of the provisions contained in this Indenture or in the Bonds shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Indenture and such invalidity, illegality or unenforceability shall not affect any other provision of this Indenture, and this Indenture shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The Authority hereby declares that it would have entered into this Indenture and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issuance of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of this Indenture may be held illegal, invalid or unenforceable.

SECTION 11.07. *Notices*. All notices or communications to be given under this Indenture shall be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or at such address as the party may provide to the other party in writing from time to time. Notice shall be effective either (a) upon transmission by facsimile transmission or other form of telecommunication, confirmed by telephone, (b) 48 hours after deposit in the United States mail, postage prepaid, or (c) in the case of personal delivery to any person, upon actual receipt. The Authority, the City or the Trustee may, by written notice to the other parties, from time to time modify the address or number to which communications are to be given hereunder.

If to the Authority or the City:	City of Tracy 333 Civic Center Plaza Tracy, California 95376 Attention: Finance Director Fax: 209-831-6439

If to the Trustee: U.S. Bank Trust Company, National Association
Attn.: Global Corporate Trust Services
One California Street, Suite 1000
San Francisco, CA 94111
Fax: 415-677-3768

SECTION 11.08. *Evidence of Rights of Bond Owners*. Any request, consent or other instrument required or permitted by this Indenture to be signed and executed by Bond Owners may be in any number of concurrent instruments of substantially similar tenor and shall be signed or executed by such Bond Owners in person or by an agent or agents duly appointed in writing. Proof of the execution of any such request, consent or other instrument or of a writing appointing any such agent, or of the holding by any person of Bonds transferable by delivery, shall be sufficient for any purpose of this Indenture and shall be conclusive in favor of the Trustee and the Authority if made in the manner provided in this Section 11.08.

The fact and date of the execution by any person of any such request, consent or other instrument or writing may be proved by the certificate of any notary public or other officer of any jurisdiction, authorized by the laws thereof to take acknowledgments of deeds, certifying that the person signing such request, consent or other instrument 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.

The ownership of Bonds shall be proved by the Registration Books.

Any request, consent, or other instrument or writing of the Owner of any Bond shall bind every future Owner of the same Bond and the Owner of every Bond issued in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the Authority in accordance therewith or reliance thereon.

SECTION 11.09. *Disqualified Bonds*. In determining whether the Owners of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Indenture, Bonds which are actually known by the Trustee to be owned or held by or for the account of the Authority or the City, or by any other obligor on the Bonds, or by any person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the Authority or the City or any other obligor on the Bonds, shall be disregarded and deemed not to be Outstanding for the purpose of any such determination unless all Bonds are so owned or held, in which case such Bonds shall be considered Outstanding for the purpose of such determination.. Bonds so owned which have been pledged in good faith may be regarded as Outstanding for the purposes of this Section if the pledgee shall establish to the satisfaction of the Trustee the pledgee's right to vote such Bonds and that the pledgee is not a person directly or indirectly controlling or controlled by, or under direct or indirect common control with, the Authority or the City or any other obligor on the Bonds. In case of a dispute as to such right, the Trustee shall be entitled to rely upon the advice of counsel in any decision by Trustee and shall be fully protected in relying thereon.

Upon request, the Authority shall certify to the Trustee those Bonds disqualified under this Section 11.09, and the Trustee may conclusively rely on such certifications.

SECTION 11.10. *Money Held for Particular Bonds*. The money held by the Trustee for the payment of the interest, premium, if any, or principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) due on any date with respect to particular Bonds (or portions of Bonds in the case of Bonds redeemed in part only) shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the Owners of the Bonds entitled thereto, *subject, however*, to the provisions of Section 10.04 but without any liability for interest thereon.

SECTION 11.11. *Waiver of Personal Liability*. No member, officer, agent or employee of the Authority shall be individually or personally liable for the payment of the principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) of or interest or premium (if any) on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof; but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law or by this Indenture.

SECTION 11.12. *Successor Is Deemed Included in All References to Predecessor*. Whenever in this Indenture either the Authority, the City or the Trustee 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 Indenture contained by or on behalf of the Authority, the City or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

SECTION 11.13. *Execution in Several Counterparts*. This Indenture may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the Authority and the Trustee shall preserve undestroyed, shall together constitute but one and the same instrument.

SECTION 11.14. *Payment on Non-Business Day*. In the event any payment is required to be made hereunder on a day which is not a Business Day, such payment shall be made on the next succeeding Business Day and with the same effect as if made on such preceding non-Business Day.

SECTION 11.15. *Governing Law*. This Indenture shall be governed by and construed in accordance with the laws of the State of California.

Remainder of page intentionally left blank. Signatures on following page.

IN WITNESS WHEREOF, the TRACY PUBLIC FINANCING AUTHORITY has caused this Indenture to be signed in its name by its Treasurer and attested to by its Secretary, and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, in token of its acceptance of the trusts created hereunder, has caused this Indenture to be signed in its corporate name by its officer thereunto duly authorized, all as of the day and year first above written.

TRACY PUBLIC FINANCING AUTHORITY

By _____
Treasurer

Attest:

_____
Secretary

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Trustee

By _____
Authorized Officer

APPENDIX A

DEFINITIONS

"Additional Bonds" means Additional Bonds issued in accordance with Section 2.08 and Section 2.09 hereof.

"Additional Rental Payments" means the amounts of additional rental which are payable by the City under Section 4.5 of the Lease or which are otherwise identified as Additional Rental Payments under the Lease.

"Assignment Agreement" means the Assignment Agreement dated as of June 1, 2024, between the Authority as assignor and the Trustee as assignee, as originally executed or as thereafter amended.

"Authority" means the Tracy Public Financing Authority, a joint exercise of powers authority duly organized and existing under the laws of the State of California.

"Authorized Representative" means: (a) with respect to the Authority, its Chair, Vice Chair, Executive Director, Treasurer, Auditor or any other person designated as an Authorized Representative of the Authority by a Written Certificate of the Authority signed by its Chair and filed with the City and the Trustee; and (b) with respect to the City, its Mayor, City Manager, Finance Director, City Attorney or any other person designated as an Authorized Representative of the City by a Written Certificate of the City signed by its City Manager and filed with the Authority and the Trustee.

"Bond Counsel" means (a) Jones Hall, A Professional Law Corporation, or (b) any other attorney or firm of attorneys appointed by or acceptable to the Authority of nationally-recognized experience in the issuance of obligations the interest on which is excludable from gross income for federal income tax purposes under the Tax Code.

"Bond Fund" means the fund by that name established and held by the Trustee under Section 5.01.

"Bond Law" means Article 4 of Chapter 5, Division 7, Title 1 of the Government Code of the State of California, commencing with Section 6584 of said Code.

"Bond Year" means each twelve-month period extending from November 2 in one calendar year to November 1 of the succeeding calendar year, both dates inclusive; except that the first Bond Year commences on the Closing Date and extends to and including November 1, 2024.

"Bonds" means the 2024 Bonds and any Additional Bonds.

"Business Day" means a day (other than a Saturday or a Sunday) on which banks are not required or authorized to remain closed in the City in which the Office of the Trustee is located.

"City" means the City of Tracy, a general law city and municipal corporation organized and existing under the Constitution and laws of the State of California.

"Closing Date" means the date of delivery of the Bonds to the Original Purchaser.

"Completion Certificate" means a Written Certificate signed by an Authorized Representative of the City and delivered to the Trustee to the effect that (i) the improvements to El Pescadero Park (including the multi-generational recreation center) financed by the 2024 Bonds are substantially ready for use and occupancy by the City and (ii) the conditions set forth in Section 3.3 of the Lease Agreement for release from the Lease Agreement and the Site Lease of all of the assets then constituting Leased Property other than the real property constituting El Pescadero Park (including the multi-generational recreation center) have been satisfied.

"Costs of Issuance" means all items of expense directly or indirectly payable by or reimbursable to the City relating to the authorization, issuance, sale and delivery of the 2024 Bonds, including but not limited to: printing expenses; rating agency fees; filing and recording fees; initial fees, expenses and charges of the Trustee and their respective counsel, including the Trustee's first annual administrative fee; fees, charges and disbursements of attorneys, municipal advisors, accounting firms, consultants and other professionals; fees and charges for preparation, execution and safekeeping of the 2024 Bonds; and any other cost, charge or fee in connection with the original issuance of the 2024 Bonds.

"Costs of Issuance Fund" means the fund by that name established and held by the Trustee under Section 3.03.

"Depository" means (a) initially, DTC, and (b) any other Securities Depositories acting as Depository under Section 2.04.

"Depository System Participant" means any participant in the Depository's book-entry system.

"DTC" means The Depository Trust Company, New York, New York, and its successors and assigns.

"Event of Default" means any of the events specified in Section 7.01.

"Excess Investment Earnings" means an amount required to be rebated to the United States of America under Section 148(f) of the Tax Code due to investment of gross proceeds of the 2024 Bonds at a yield in excess of the yield on the 2024 Bonds.

"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), for which the full faith and credit of the United States of America are pledged; (b) obligations of any agency, department or instrumentality of the United States of America, the timely payment of principal and interest on which are directly or indirectly secured or guaranteed by the full faith and credit of the United States of America."Fiscal Year" means any twelve-month period extending from July 1 in one calendar year to June 30 of the succeeding calendar year, both dates inclusive, or any other twelve-month period selected and designated by the Authority as its official fiscal year period.

"Indenture" means this Indenture of Trust, as originally executed or as it may from time to time be supplemented, modified or amended by any Supplemental Indenture under the provisions hereof.

"Independent Accountant" means any certified public accountant or firm of certified public accountants appointed and paid by the Authority or the City, and who, or each of whom (a) is in fact independent and not under domination of the Authority or the City; (b) does not have any substantial interest, direct or indirect, in the Authority or the City; and (c) is not connected with the Authority or the City as an officer or employee of the Authority or the City but who may be regularly retained to make annual or other audits of the books of or reports to the Authority or the City.

"Insurance and Condemnation Fund" means the fund by that name established and held by the Trustee under Section 5.07.

"Interest Account" means the account by that name established and held by the Trustee in the Bond Fund under Section 5.02.

"Interest Payment Date" means each May 1 and November 1, commencing November 1, 2024, so long as any Bonds remain unpaid.

"Lease" means the Lease Agreement dated as of June 1, 2024, between the Authority as lessor and the City as lessee of the Leased Property, as originally executed and as it may from time to time be supplemented, modified or amended in accordance with the terms thereof and of this Indenture.

"Lease Payment Date" means, with respect to any Interest Payment Date, the Business Day immediately preceding such Interest Payment Date.

"Lease Payments" means the amounts payable by the City under Section 4.3(a) of the Lease, including any prepayment thereof and including any amounts payable upon a delinquency in the payment thereof.

"Leased Property" means the real property described in Appendix A to the Lease, together with all improvements and facilities at any time situated thereon.

"Net Proceeds" means amounts derived from any policy of casualty insurance or title insurance with respect to the Leased Property, or the proceeds of any taking of the Leased Property or any portion thereof in eminent domain proceedings (including sale under threat of such proceedings), to the extent remaining after payment therefrom of all expenses incurred in the collection and administration thereof.

"Nominee" means (a) initially, Cede & Co. as nominee of DTC, and (b) any other nominee of the Depository designated under Section 2.04(a).

"Office" means the corporate trust office of the Trustee in San Francisco, California, or such other or additional offices as the Trustee may designate in writing to the Authority from time to time as the corporate trust office for purposes of the Indenture; except that with respect to presentation of Bonds for payment or for registration of transfer and exchange such term means the office or agency of the Trustee at which, at any particular time, its corporate trust agency business is conducted.

"Original Purchaser" means Piper Sandler & Co., as original purchaser of the 2024 Bonds upon their delivery by the Trustee on the Closing Date.

"Outstanding", when used as of any particular time with reference to Bonds, means all Bonds theretofore, or thereupon being, authenticated and delivered by the Trustee under this Indenture except: (a) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation; (b) Bonds with respect to which all liability of the Authority shall have been discharged in accordance with Section 10.02, including Bonds (or portions thereof) described in Section 11.09; and (c) Bonds for the transfer or exchange of or in lieu of or in substitution for which other Bonds shall have been authenticated and delivered by the Trustee under this Indenture.

"Owner", whenever used herein with respect to a Bond, means the person in whose name the ownership of such Bond is registered on the Registration Books.

"Permitted Encumbrances" means, as of any time: (a) liens for general ad valorem taxes and assessments, if any, not then delinquent, or which the City may permit to remain unpaid under Article V of the Lease; (b) the Site Lease, the Lease and the Assignment Agreement; (c) any right or claim of any mechanic, laborer, material man, supplier or vendor not filed or perfected in the manner prescribed by law; (d) the exceptions disclosed in the title insurance policy with respect to the Leased Property issued as of the Closing Date by Stewart Title Guaranty; and (e) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions which exist of record and which the City certifies in writing will not materially impair the use of the Leased Property for its intended purposes.

"Permitted Investments" means any of the following:

(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), for which the full faith and credit of the United States of America are pledged.

(b) obligations of any agency, department or instrumentality of the United States of America, the timely payment of principal and interest on which are directly or indirectly secured or guaranteed by the full faith and credit of the United States of America.

(c) Any direct or indirect obligations of an agency or department of the United States of America whose obligations represent the full faith and credit of the United States of America, or which are rated A or better by S&P.

(d) Interest-bearing deposit accounts (including certificates of deposit placed by a third party pursuant to a separate agreement between the Authority and the Trustee), time deposits, bank deposit products, trust funds, trust accounts, interest bearing deposits, overnight bank deposits or interest bearing money market accounts in federal or State chartered savings and loan associations or in

federal or State of California banks (including the Trustee or any of its affiliates), provided that: (i) the unsecured obligations of such commercial bank or savings and loan association are rated A or better by S&P; or (ii) such deposits are fully insured by the Federal Deposit Insurance Corporation or secured at all times by collateral described in (a) or (b) above.

(e) Commercial paper rated "A-1+" or better by S&P.

(f) Federal funds or bankers acceptances with a maximum term of one year of any bank which an unsecured, uninsured and unguaranteed obligation rating of "A-1+" or better by S&P.

(g) Money market mutual funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by S&P of at least AAAm-G, AAAm or AAm, which funds may include funds for which the Trustee, its affiliates, parent or subsidiaries provide investment advisory, custodial, transfer agency or other management services, and for which they receive and retain a fee for such services. Money market funds permitted under this paragraph shall not include funds with a floating net asset value.

(h) 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 S&P, or (b) fully secured as to the payment of principal and interest by Permitted Investments described in clauses (a) or (b).

(i) 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 S&P.

(j) Bonds or notes issued by any state or municipality which are rated A or better by S&P.

(k) Any investment agreement with, or guaranteed by, a financial institution the long-term unsecured obligations or the claims paying ability of which are rated A or better by S&P at the time of initial investment, by the terms of which all amounts invested thereunder are required to be withdrawn and paid to the Trustee in the event either of such ratings at any time falls below A.

(l) The Local Agency Investment Fund of the State of California, created pursuant to Section 16429.1 of the California Government Code, to the extent the Trustee is authorized to register such investment in its name.

"Principal Account" means the account by that name established and held by the Trustee in the Bond Fund under Section 5.02.

"Project" means the public capital improvements described in Appendix C attached to the Lease.

"Project Costs" means, with respect to the Project, all costs of the acquisition, construction and installation thereof which are paid from moneys on deposit in the Project Fund, including but not limited to:

(a) all costs required to be paid to any person under the terms of any agreement for or relating to the acquisition, construction and installation of the Improvements;

(b) obligations incurred for labor and materials in connection with the acquisition, construction and installation of the Project;

(c) the cost of performance or other bonds and any and all types of insurance that may be necessary or appropriate to have in effect in connection with the acquisition, construction and installation of the Project;

(d) all costs of engineering and architectural services, including the actual out-of-pocket costs for test borings, surveys, estimates, plans and specifications and preliminary investigations therefor, development fees, sales commissions, and for supervising construction, as well as for the performance of all other duties required by or consequent to the proper acquisition, construction and installation of the Project;

(e) any sums required to reimburse the City for advances made for any of the above items or for any other costs incurred and for work done which are properly chargeable to the acquisition, construction and installation of the Project;

(f) all Costs of Issuance of the Bonds and other financing costs incurred in connection with the acquisition, construction and installation of the Project; and

(g) the interest components of the Lease Payments allocable to the Project or any component thereof, which come due during the period of acquisition, construction and installation of the improvements or such component.

"Project Fund" means the fund by that name established and held by the Trustee under Section 3.04.

"Record Date" means, with respect to any Interest Payment Date, the 15th calendar day of the month preceding such Interest Payment Date, whether or not such day is a Business Day.

"Redemption Fund" means the fund by that name established and held by the Trustee under Section 5.06.

"Registration Books" means the records maintained by the Trustee under Section 2.05 for the registration and transfer of ownership of the 2024 Bonds.

"Revenues" means: (a) all amounts received by the Authority or the Trustee under or with respect to the Lease, including, without limiting the generality of the foregoing, all of the Lease Payments (including both timely and delinquent payments, any late charges, and whether paid from any source), but excluding (i) any amounts

described in Section 7.5(b)(v) of the Lease, and (ii) any Additional Rental Payments; and (b) all interest, profits or other income derived from the investment of amounts in any fund or account established under this Indenture.

"Securities Depositories" means DTC; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other securities depositories as the Authority designates in written notice filed with the Trustee.

"Site Lease" means the Site Lease dated as of June 1, 2024, between the City as lessor and the Authority as lessee, as amended from time to time in accordance with its terms.

"Site Lease Payment" means the amount of $20,219,094.20 which is payable by the Authority to the City on the Closing Date under Section 3 of the Site Lease.

"S&P" means S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC business, its successors and assigns.

"Supplemental Indenture" means any indenture hereafter duly authorized and entered into between the Authority and the Trustee, supplementing, modifying or amending this Indenture; but only if and to the extent that such Supplemental Indenture is specifically authorized hereunder.

"Tax Code" means the Internal Revenue Code of 1986 as in effect on the Closing Date or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the Closing Date, together with applicable temporary and final regulations promulgated, and applicable official public guidance published, under said Code.

"Term" means, with reference to the Lease, the time during which the Lease is in effect, as provided in Section 4.2 thereof.

"Term Bonds" means (a) the Bonds maturing on November 1 in each of the years _____ and ___ and (b) the Additional Bonds designated as Term Bonds in a Supplemental Indenture.

"Trustee" means U.S. Bank Trust Company, National Association, a national banking association organized and existing under the laws of United States of America, or its successor or successors, as Trustee hereunder as provided in Article VIII.

"Written Certificate," "Written Request" and "Written Requisition" of the Authority or the City mean, respectively, a written certificate, request or requisition signed in the name of the Authority or the City by its Authorized Representative. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument.

"2024 Bonds" means the $_____ aggregate principal amount of Tracy Public Financing Authority Lease Revenue Bonds, Series 2024A (Multi-Generational Recreation Center Project), authorized by and at any time Outstanding under this Indenture.

APPENDIX B

BOND FORM

NO. R-_____ ***$_____***

UNITED STATES OF AMERICA
STATE OF CALIFORNIA

TRACY PUBLIC FINANCING AUTHORITY

LEASE REVENUE BONDS, SERIES 2024A
(MULTI-GENERATIONAL RECREATION CENTER PROJECT)

INTEREST RATE:	MATURITY DATE:	ORIGINAL ISSUE DATE:	CUSIP:
_____%	November 1, ____	_____, 2024	_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: *** ***

SPECIMEN

The TRACY PUBLIC FINANCING AUTHORITY, a public body corporate and politic duly organized and existing under the laws of the State of California (the "Authority"), for value received, hereby promises to pay to the Registered Owner specified above or registered assigns (the "Registered Owner"), on the Maturity Date specified above (subject to any right of prior redemption hereinafter provided for), the Principal Amount specified above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the 15th day of the month preceding such interest payment date, in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before October 15, 2024, in which event it shall bear interest from the Original Issue Date specified above; *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 on this Bond, at the Interest Rate per annum specified above, payable semiannually on May 1 and November 1 in each year, commencing November 1, 2024 (the "Interest Payment Dates"), calculated on the basis of a 360-day year composed of twelve 30-day months.

Principal hereof and premium, if any, upon early redemption hereof are payable upon presentation and surrender hereof at the designated corporate trust office of U.S. Bank Trust Company, National Association (the "Trust Office"), as trustee

(the "Trustee"). Interest hereon is payable by check of the Trustee mailed to the Registered Owner hereof at the Registered Owner's address as it appears on the registration books of the Trustee as of the close of business on the fifteenth day of the month preceding each Interest Payment Date (a "Record Date"), or, upon written request filed with the Trustee as of such Record Date by a registered owner of at least $1,000,000 in aggregate principal amount of Bonds, by wire transfer in immediately available funds to an account in the United States designated by such registered owner in such written request.

This Bond is not a debt of the City of Tracy (the "City"), the County of San Joaquin, the State of California, or any of its political subdivisions, and neither the City, said County, said State, nor any of its political subdivisions, is liable hereon nor in any event shall this Bond be payable out of any funds or properties of the Authority other than the Revenues.

This Bond is one of a duly authorized issue of bonds of the Authority designated as the "Tracy Public Financing Authority Lease Revenue Bonds, Series 2024A (Multi-Generational Recreation Center Project)" (the "Bonds"), in an aggregate principal amount of $_____, all of like tenor and date (except for such variation, if any, as may be required to designate varying numbers, maturities, interest rates or redemption provisions) and all issued under the provisions of Article 4 of Chapter 5, Division 7, Title 1 of the Government Code of the State of California, commencing with Section 6584 of said Code, and under an Indenture of Trust dated as of June 1, 2024, between the Authority and the Trustee (the "Indenture") and a resolution of the Authority adopted on January 16, 2024, authorizing the issuance of the Bonds. Reference is hereby made to the Indenture (copies of which are on file at the office of the Authority) and all supplements thereto for a description of the terms on which the Bonds are issued, the provisions with regard to the nature and extent of the Revenues, and the rights thereunder of the owners of the Bonds and the rights, duties and immunities of the Trustee and the rights and obligations of the Authority thereunder, to all of the provisions of which the Registered Owner of this Bond, by acceptance hereof, assents and agrees.

The Bonds have been issued by the Authority to provide financing for the acquisition and construction of certain public improvements. This Bond and the interest and premium, if any, hereon are special obligations of the Authority, payable from the Revenues, and secured by a charge and lien on the Revenues as defined in the Indenture, consisting principally of lease payments made by the City under a Lease Agreement dated as of June 1, 2024, between the Authority as lessor and the City as lessee (the "Lease"). As and to the extent set forth in the Indenture, all of the Revenues are exclusively and irrevocably pledged in accordance with the terms hereof and the provisions of the Indenture, to the payment of the principal of and interest and premium (if any) on the Bonds.

The Authority has the authority to issue Additional Bonds under the Indenture that would be secured by and payable from Revenues on a parity basis with the Bonds.

The rights and obligations of the Authority and the owners of the Bonds may be modified or amended at any time in the manner, to the extent and upon the terms provided in the Indenture, but no such modification or amendment shall extend the fixed maturity of any Bonds, or reduce the amount of principal thereof or premium (if any) thereon, or extend the time of payment, or change the method of computing the rate of

interest thereon, or extend the time of payment of interest thereon, without the consent of the owner of each Bond so affected.

The Bonds maturing on or before November 1, ___, are not subject to optional redemption prior to their stated maturity. The Bonds maturing on or after November 1, ___, are subject to redemption, as a whole or in part at the election of the Authority among maturities on such basis as designated by the Authority and by lot within a maturity, at the option of the Authority, on November 1, ___, and on any date thereafter, at a redemption price equal to 100% of the principal amount of Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium.

The Bonds are subject to redemption as a whole, or in part by lot, on any date, to the extent of any net proceeds of hazard or title insurance with respect to the property which has been leased under the Lease (the "Leased Property") or any portion thereof which are not used to repair or replace the Leased Property pursuant to the Lease, or to the extent of any net proceeds arising from the disposition of the Leased Property or any portion thereof in eminent domain proceedings which the City elects to be used for such purpose pursuant to the Lease, at a redemption price equal to the principal amount thereof plus interest accrued thereon to the date fixed for redemption, without premium.

The Term Bonds are subject to mandatory redemption in whole, or in part by lot, from sinking fund payments at a redemption price equal to the principal amount thereof to be redeemed, without premium, plus accrued interest to the date of redemption, in the aggregate respective principal amounts and on November 1 in the years as set forth in the following tables:

Term Bonds Maturing
November 1, ____

Payment Date (November 1)	Payment Amount
(Maturity)	

Term Bonds Maturing
November 1, ____

Payment Date (November 1)	Payment Amount
(Maturity)	

If some but not all of the Term Bonds have been redeemed under the optional redemption provisions of the Indenture, the total amount of all future sinking fund payments will be reduced by the aggregate principal amount of the Term Bonds so redeemed, to be allocated among such sinking fund payments on a pro rata basis as determined by the Authority, which shall notify the Trustee in writing of such determination

As provided in the Indenture, notice of redemption will be mailed by the Trustee by first class mail not less than 20 nor more than 60 days prior to the redemption date to the respective owners of any Bonds designated for redemption at their addresses appearing on the registration books of the Trustee, but neither failure to receive such e-notice nor any defect in the notice so mailed shall affect the sufficiency of the proceedings for redemption or the cessation of accrual of interest thereon from and after the date fixed for redemption. Notice of any optional redemption of the Bonds may be conditioned upon receipt of funds for the redemption, and may be rescinded under the circumstances set forth in the Indenture, upon notice to the owners of such Bonds.

If this Bond is called for redemption and payment is duly provided therefor as specified in the Indenture, interest shall cease to accrue hereon from and after the date fixed for redemption.

This Bond is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the Trust Office, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Bond. Upon registration of such transfer, a new Bond or Bonds, of authorized denomination or denominations, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange herefor. This Bond may be exchanged at the Trust Office for Bonds of the same tenor, aggregate principal amount, interest rate and maturity, of other authorized denominations.

The Authority and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the Authority and the Trustee shall not be affected by any notice to the contrary.

Unless this Bond is presented by an authorized representative of The Depository Trust Company to the Authority or the Trustee for registration of transfer, exchange or payment, and any Bond issued is registered in the name of Cede & Co. or such other

name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

It is hereby certified by the Authority that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of this Bond do exist, have happened or have been performed in due and regular time, form and manner as required by the Ordinance and the laws of the State of California and that the amount of this Bond, together with all other indebtedness of the Authority, does not exceed any limit prescribed by the Ordinance or any laws of the State of California, and is not in excess of the amount of Bonds permitted to be issued under the Indenture.

This Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until the certificate of authentication hereon endorsed shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the Tracy Public Financing Authority has caused this Bond to be executed in its name and on its behalf with the facsimile signature of its Chair and attested to by the facsimile signature of its Secretary, all as of the Original Issue Date specified above.

TRACY PUBLIC FINANCING AUTHORITY

By _____
Chair

Attest:

_____
Secretary

CERTIFICATE OF AUTHENTICATION

This is one of the 2024 Bonds described in the within-mentioned Indenture.

Dated:

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Trustee

By _____
Authorized Signatory

ASSIGNMENT

For value received the undersigned hereby sells, assigns and transfers unto _____ whose address and social security or other tax identifying number is _____, the within-mentioned Bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney, to transfer the same on the registration books of the Trustee with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

_____

Note: Signature(s) must be guaranteed by an eligible guarantor institution.

_____

Note: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

APPENDIX C

FORM OF PROJECT FUND REQUISITION

DISBURSEMENT REQUEST NO.: _____

U.S. Bank Trust Company, National Association
Attn.: Global Corporate Trust Services
One California Street, Suite 1000
San Francisco, CA 94111

Re: $_____ Tracy Public Financing Authority Lease Revenue Bonds, Series 2024A (Multi-Generational Recreation Center Project)

Ladies and Gentlemen:

In accordance with the terms of an Indenture of Trust, by and between you and the undersigned, dated as of June 1, 2024 (the "Indenture"), I am an Authorized Representative and you are hereby authorized and requested to make immediate disbursement of funds held by you in the Project Fund for Project Costs relating to the Project (as such terms are defined in the Indenture) pursuant to Section 3.04 of the Indenture.

You are hereby requested to pay from the Project Fund established by the Indenture, to the person(s), corporation(s) or other entity(ies) designated on Schedule A attached hereto, in payment of all or a portion of the Project Costs described on said Schedule.

The undersigned hereby certifies that (i) the amounts listed on Schedule A constitute Project Costs (as defined in the Indenture), (ii) no part of the amount requested herein has been included in any other request previously filed with you; (iii) to the knowledge of the undersigned, there has not been filed with or served upon the City any notice of any lien or attachment upon or claim (except for any preliminary notice of lien as may be filed in accordance with law) affecting the right of the person, corporation or other entity stated below to receive payment of the amount stated below, which lien has not been released or will not be released simultaneously with the payment requested hereunder; and (iv) the labor, services and/or materials covered hereby have been performed upon or furnished to the Improvements and the payment requested herein is due and payable under a purchase order, contract or other authorization;

Dated: _____, 20___.

CITY OF TRACY

By:_____
Designated Officer

SCHEDULE A

Payee (include address)	Description of Costs	Project Costs Amount

Stradling Yocca Carlson & Rauth
Draft of 4/29/24

$_____
TRACY PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS, SERIES 2024A
(MULTI-GENERATIONAL RECREATION CENTER PROJECT)

BOND PURCHASE AGREEMENT

_____, 2024

Tracy Public Financing Authority
c/of City of Tracy
333 Civic Center Plaza
Tracy, California 95376

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 Tracy Public Financing Authority (the "**Authority**") and the City of Tracy, California (the "**City**"), which, upon the acceptance of the Authority and the City, will be binding upon the Authority, the City and the Underwriter. This offer is made subject to acceptance by the Authority and by the City by the execution of this Purchase Agreement and delivery of the same to the Underwriter prior to 11:59 P.M., Pacific Standard Time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriter upon notice delivered to the Authority and the City at any time prior to the acceptance hereof by the Authority and the City. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Indenture of Trust, dated as of June 1, 2024 (the "**Indenture**"), by and between the Authority and U.S. Bank Trust Company, National Association, as trustee (the "**Trustee**").

Section 1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, warranties and agreements herein set forth, the Underwriter hereby agrees to purchase from the Authority, and the Authority hereby agrees to issue, sell and deliver to the Underwriter all (but not less than all) of the Tracy Public Financing Authority Lease Revenue Bonds, Series 2024A (Multi-Generational Recreation Center Project) in the aggregate principal amount of $_____ (the "**Bonds**"). The Bonds will be dated as of their date of delivery. Interest on the Bonds shall be payable semiannually on May 1 and November 1 in each year, commencing November 1, 2024 and will mature, bear interest and be subject to redemption prior to maturity as set forth in Exhibit A hereto. The purchase price for the Bonds shall be equal to $_____ (being the aggregate principal amount thereof, [plus/less] [net] original issue [premium/discount] of $_____, less an underwriter's discount of $_____). [In addition, on behalf of the Authority and the City and from the purchase price of the Bonds, the Underwriter shall wire the amount of $_____ directly to the Insurer as (defined below) to pay the costs of the premium for the Insurance Policy (as defined below).]

Section 2. The Bonds. The Bonds shall be secured by a pledge of Revenues consisting primarily of Lease Payments ("**Lease Payments**") to be paid by the City pursuant to a Lease Agreement, dated as of June 1, 2024, by and between the Authority, as lessor, and the City, as lessee (the "**Lease Agreement**"), concerning the leaseback of certain real property and improvements, as described in the Official Statement (the "**Leased Property**"). The Authority's right to receive the Lease Payments due under the Lease Agreement and to exercise remedies upon default thereunder shall be assigned to the Trustee for the benefit of the owners of the Bonds pursuant to an Assignment Agreement, dated as of June 1, 2024 (the "**Assignment Agreement**"), by and between the Authority and the Trustee.

The Bonds shall be as described in, and shall be secured under and pursuant to the Indenture substantially in the form previously submitted to the Underwriter with only such changes therein as shall be mutually agreed upon by the Authority, the City and the Underwriter.

The proceeds of the Bonds shall be used to (i) to finance the acquisition and construction of a multi-generational recreation center in El Pescadero Park, improvements to El Pescadero Park and related public improvements that may be identified from time to time by the City; [(ii) pay the premium for a municipal bond insurance policy for the Bonds], and (iii) pay the costs of issuing the Bonds.

The Bonds, this Purchase Agreement, the Indenture, the Lease Agreement, the Site Lease, dated as of June 1, 2024 (the "**Site Lease**"), under which the City will lease the Leased Property to the Authority, the Assignment Agreement and resolutions adopted by the Board of Directors of the Authority on January 16, 2024 and May 21, 2024 (collectively, the "**Authority Resolutions**") authorizing the issuance of the Bonds and the execution and delivery of the Authority Documents (hereinafter defined) are collectively referred to herein as the "**Authority Documents**."

This Purchase Agreement, the Continuing Disclosure Certificate, dated _____, 2024 (the "**Continuing Disclosure Certificate**"), executed and delivered by the City, the Lease Agreement, the Site Lease and the resolution adopted by the City Council of the City on January 16, 2024 and May 21, 2024 (collectively, the "**City Resolutions**") authorizing the execution and delivery of the City Documents (hereinafter defined) are collectively referred to herein as the "**City Documents**."

[The Bonds shall be insured under a municipal bond insurance policy (the "Insurance Policy") from _____ (the "Insurer").]

Section 3. Public Offering and Establishment of Issue Price.

(a) The Underwriter agrees to make an initial public offering of all of the Bonds at the public offering prices (or yields) set forth on 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 the Underwriter deems necessary in connection with the marketing of the Bonds, provided that the Underwriter shall not change the interest rates set forth on Exhibit A. The Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices. The City and the Authority acknowledge and agree 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 Authority, on one hand, and the Underwriter, on the other; (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 or Authority 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 or Authority on other matters); (iv) the Underwriter has financial and other interests that differ from those of the City and the Authority; and (v) the City and Authority have consulted their own legal, financial and other advisors to the extent they have deemed appropriate.

(b) The Underwriter agrees to assist the Authority in establishing the issue price of the Bonds and shall execute and deliver to the Authority 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 B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Authority 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 Authority under this section to establish the issue price of the Bonds may be taken on behalf of the Authority by CSG Advisors Incorporated (the "**Municipal Advisor**") and any notice or report to be provided to the Authority may be provided to the Municipal Advisor.

(c) Except as otherwise set forth in Exhibit A, the Authority 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 Authority 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 Authority 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 Authority and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the Authority 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:

(i) the close of the fifth (5th) business day after the sale date; or

(ii) 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 Authority 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 Authority 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 Authority 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:

(i) "**public**" means any person other than an underwriter or a related party;

(ii) "**underwriter**" means: (A) any person that agrees pursuant to a written contract with the Authority (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);

(iii) 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

(iv) "**sale date**" means the date of execution of this Purchase Agreement by all parties.

Section 4. The Official Statement. By its acceptance of this proposal, the Authority and the City ratify, confirm and approve of the use and distribution by the Underwriter prior to the date hereof of the preliminary official statement relating to the Bonds dated _____, 2024 (including the cover page, all appendices and all information incorporated therein and any supplements or amendments thereto and as disseminated in its printed physical form or in electronic form in all respects materially consistent with such physical form, the "**Preliminary Official Statement**") that authorized officers of the City deemed "final" as of its date, for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended ("**Rule 15c2-12**"), except for certain information permitted to be omitted therefrom by Rule 15c2-12. The Authority and the City hereby agree to deliver or cause to be delivered to the Underwriter, within seven business days of the date hereof, copies of the final official statement, dated the date hereof, relating to the Bonds (including all information previously permitted to have been omitted by Rule 15c2-12), including the cover page, all appendices, all information incorporated therein and any amendments or supplements as have been approved by the Authority, the City and the Underwriter (the "**Official Statement**") in such quantity as the Underwriter shall reasonably request to comply with Section (b)(4) of Rule 15c2-12 and the rules of the Municipal Securities Rulemaking Board (the "**MSRB**").

The Underwriter hereby agrees that it will not request that payment be made by any purchaser of the Bonds prior to delivery by the Underwriter to the purchaser of a copy of the Official Statement. The Underwriter agrees: (i) to provide the Authority and the City with final pricing information on the Bonds on a timely basis; and (ii) to promptly file a copy of the Official Statement, including any supplements prepared by the Authority or the City with the MSRB at http://emma.msrb.org. The Authority and the City hereby approve of the use and distribution by the Underwriter of the Preliminary Official Statement in connection with the offer and sale of the Bonds. The Authority and the City will cooperate with the Underwriter in the filing by the Underwriter of the Official Statement with the MSRB.

Section 5. Closing. At 8:30 a.m., Pacific Standard Time, on June __, 2024, or at such other time or date as the Authority and the Underwriter agree upon (the "**Closing Date**"), the Authority shall deliver or cause to be delivered to the Trustee, the Bonds, in definitive form, registered in the name of Cede & Co., as the nominee of The Depository Trust Company ("DTC"), so that the Bonds may be authenticated by the Trustee and credited to the account specified by the Underwriter under DTC's FAST procedures. Concurrently with the delivery of the Bonds, the Authority and the City will deliver the documents hereinafter mentioned at the offices of Jones Hall, A Professional Law Corporation, San Francisco, California ("Bond Counsel"), or another place to be mutually agreed upon by the Authority, the City and the Underwriter. The Underwriter will accept such delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof by wire transfer in immediately available funds. This payment for and delivery of the Bonds, together with the delivery of the aforementioned documents, is herein called the "**Closing**."

The Bonds shall be registered in the name of Cede & Co., as nominee of DTC in denominations of five thousand dollars ($5,000) or any integral multiple thereof. The Authority and the City acknowledge that the services of DTC will be used initially by the Underwriter in order to permit the issuance of the Bonds in book-entry form, and agree to cooperate fully with the Underwriter in employing such services.

Section 6. Representations, Warranties and Covenants of the Authority. The Authority represents, warrants and covenants to the Underwriter and the City that:

(a) The Authority is a public body, duly organized and existing under the Constitution and laws of the State of California (the "**State**"), including Articles 1, 2 and 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "**JPA Act**") and the First Amended and Restated Joint Powers Agreement, dated as of October 17, 2018 (the "**JPA Agreement**"), between the City and the Tracy Industrial Development Authority.

(b) The Authority has full legal right, power and authority to adopt or enter into, as the case may be, and to carry out and consummate the transactions on its part contemplated by the Authority Documents.

(c) By all necessary official action, the Authority has duly adopted the Authority Resolutions, has duly authorized and approved the other Authority Documents, has duly authorized and approved the Preliminary Official Statement, will, by execution thereof, duly authorize and approve the Official Statement, and has duly authorized and approved the execution and delivery of, and the performance by the Authority of the obligations on its part contained in, the Authority Documents and the consummation by it of all other transactions contemplated by the Authority Documents in connection with the issuance of the Bonds. As of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded. When executed and delivered, and assuming due execution and delivery by the other parties thereto, if applicable, the Authority Documents will constitute the legally valid and binding obligations of the Authority enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors' rights generally, or by the exercise of judicial discretion and the limitations on legal remedies against joint powers authorities in the State. The Authority has complied, and will at the Closing be in compliance in all material respects, with the terms of the Authority Documents.

(d) The Authority is not in any material respect in breach of or default under any applicable constitutional provision, law or administrative regulation of any state or of the United States, or any agency or instrumentality of either, or any applicable judgment or decree, or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Authority is a party which breach or default has or may have a materially adverse effect on the ability of the Authority to perform its obligations under the Authority Documents, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute such a default or event of default under any such instrument; and the adoption, execution and delivery of the Authority Documents, if applicable, and compliance with the provisions on the Authority's part contained therein, will not conflict in any material way with or constitute a material breach of or a material default under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Authority is a party, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Authority or under the terms of any such law, regulation or instrument, except as may be provided by the Authority Documents.

(e) All material authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of

the matter which are required for the due authorization by, or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the Authority of its obligations in connection with the Authority Documents have been duly obtained or, when required for future performance, are expected to be obtained, other than such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Bonds; except as described in or contemplated by the Preliminary Official Statement and the Official Statement, all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, board, agency or commission having jurisdiction of the matter which are required for the due authorization by, or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by, the Authority of its obligations under the Authority Documents have been duly obtained.

(f) The Authority hereby agrees that it will notify the other parties hereto if, within the period from the date of this Purchase Agreement to and including the date twenty-five (25) days following the end of the underwriting period (as defined herein), the Authority discovers any pre-existing or subsequent fact or becomes aware of the occurrence of any event, in any such case, which might cause the Official Statement (as the same may have then been supplemented or amended) to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(g) As of the time of acceptance hereof and the Closing, except as disclosed in the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental authority, public board or body, pending, with service of process upon the Authority having been accomplished, or threatened in writing to the Authority: (i) in any way questioning the corporate existence of the Authority or the titles of the officers of the Authority to their respective offices; (ii) affecting, contesting or seeking to prohibit, restrain or enjoin the issuance or delivery of any of the Bonds, or the payment or collection of Lease Payments with respect to the Lease Agreement or any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity of the Bonds or the other Authority Documents or the consummation of the transactions contemplated thereby or hereby, or contesting the exclusion of the interest on the Bonds from taxation or contesting the powers of the Authority or its authority to issue the Bonds; (iii) which would be likely to result in any material adverse change relating to the business, operations or financial condition of the Authority; or (iv) contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(h) To the Authority's knowledge, there is no basis for any action, suit, proceeding, inquiry or investigation of the nature described in clauses (i) through (iv) of paragraph 6(g).

(i) The information in the Official Statement set forth under the caption "INTRODUCTION—The Authority" does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(j) The Authority will refrain from taking any action, or permitting any action to be taken, with regard to which the Authority may exercise control, that results in the loss of the tax-exempt status of the interest on the Bonds.

(k) The Authority will refrain from taking any action, or permitting any action to be taken, to reduce the amount of the Lease Payments while the Bonds are Outstanding, and the Authority will collect the Lease Payments in accordance with the Lease Agreement.

(l) Any certificate signed by any officer of the Authority authorized to execute such certificate in connection with the execution, sale and delivery of the Bonds and delivered to the Underwriter shall be deemed a representation and warranty of the Authority to the Underwriter and the City as to the statements made therein but not of the person signing such certificate.

Section 7. Representations, Warranties and Covenants of the City. The City represents, warrants and covenants to the Underwriter and the Authority that:

(a) The City is duly organized and validly existing as a municipal corporation and general law city under the Constitution and laws of the State.

(b) The City has full legal right, power and authority to adopt or enter into, as the case may be, and to carry out and consummate the transactions on its part contemplated by the City Documents.

(c) By all necessary official action, the City has duly authorized and approved the City Documents, has duly authorized and approved the Preliminary Official Statement and the Official Statement, and has duly authorized and approved the execution and delivery of, and the performance by the City of the obligations on its part contained in, the City Documents and the consummation by it of all other transactions contemplated by the City Documents in connection with the issuance of the Bonds. As of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded. When executed and delivered, and assuming due execution and delivery by the other parties thereto, if applicable, the City Documents will constitute the legally valid and binding obligations of the City enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors' rights generally, or by the exercise of judicial discretion and the limitations on legal remedies against municipal corporations in the State. The City has complied, and will at the Closing be in compliance in all material respects, with the terms of the City Documents.

(d) The City is not in any material respect in breach of or default under any applicable constitutional provision, law or administrative regulation of any state or of the United States, or any agency or instrumentality of either, or any applicable judgment or decree, or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the City is a party which breach or default has or may have a materially adverse effect on the ability of the City to perform its obligations under the City Documents, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute such a default or event of default under any such instrument; and the adoption, execution and delivery of the City Documents, if applicable, and compliance with the provisions on the City's part contained therein, will not conflict in any material way with or constitute a material breach of or a material default under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture,

bond, note, resolution, agreement or other instrument to which the City is a party nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the City or under the terms of any such law, regulation or instrument, except as may be provided by the City Documents.

(e) All material authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required for the due authorization by, or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the City of its obligations in connection with the City Documents have been duly obtained or, when required for future performance, are expected to be obtained, other than such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Bonds; except as described in or contemplated by the Preliminary Official Statement, all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, board, agency or commission having jurisdiction of the matter which are required for the due authorization by, or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by, the City of its obligations under the City Documents have been duly obtained.

(f) The Preliminary Official Statement was as of its date, and the Official Statement is, and at all times subsequent to the date of the Official Statement up to and including the Closing will be, true and correct in all material respects, and the Preliminary Official Statement and the Official Statement do not and will not contain and up to and including the Closing will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein, in the light of the circumstances under which they were made, not misleading (except that this representation does not include statements in the Official Statement under the caption "UNDERWRITING" and information regarding DTC and its book-entry only system, as to which no view is expressed).

(g) The City will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement. The City will advise the Underwriter promptly of the institution of any proceedings known to it by any governmental authority prohibiting or otherwise affecting the use of the Official Statement in connection with the offering, sale or distribution of the Bonds.

(h) As of the time of acceptance hereof and the Closing, except as disclosed in the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental authority, public board or body, pending, with service of process upon the City having been accomplished, or threatened in writing to the City: (i) in any way questioning the corporate existence of the City or the titles of the officers of the City to their respective offices; (ii) affecting, contesting or seeking to prohibit, restrain or enjoin the issuance or delivery of any of the Bonds, or the payment or collection of Lease Payments with respect to the Lease Agreement or of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity of the Bonds, or the City Documents or the consummation of the transactions contemplated thereby or hereby, or contesting the exclusion of the interest on the Bonds from taxation, or contesting the powers of the Authority to issue the Bonds; (iii) which would be likely to result in any material adverse change relating to the business, operations or financial condition of the City; and (iv) contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or

asserting that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(i) To the City's knowledge, there is no basis for any action, suit, proceeding, inquiry or investigation of the nature described in clauses (i) through (iv) of paragraph 7(h).

(j) Until the date which is twenty-five (25) days after the "end of the underwriting period" (as hereinafter defined), if any event shall occur of which the City is aware that would cause the Official Statement to contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements in the Official Statement, in light of the circumstances under which they were made, not misleading (except that this representation does not include information regarding DTC and its book entry only system, as to which no view is expressed), the City shall forthwith notify the Underwriter of any such event of which it has knowledge and shall cooperate fully in furnishing any information available to it for any supplement to the Official Statement necessary, in the Underwriter's reasonable opinion, so that the statements therein as so supplemented will not be misleading in light of the circumstances existing at such time and the City shall promptly furnish to the Underwriter a reasonable number of copies of such supplement. As used herein, the term "**end of the underwriting period**" means the later of such time as: (i) the Authority delivers the Bonds 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 written notice delivered to the Underwriter at or prior to the Closing Date of the Bonds and shall specify a date (other than the Closing Date) to be deemed the "end of the underwriting period."

(k) Except as disclosed in the Preliminary Official Statement and the Official Statement, the City has not within the last five years failed to comply in any material respect with any continuing disclosure undertakings with regard to Rule 15c2-12, to provide annual reports or notices of material events specified in such rule.

(l) The City will refrain from taking any action, or permitting any action to be taken, with regard to which the City may exercise control, that results in the loss of the tax-exempt status of the interest on the Bonds.

(m) The financial statements relating to the receipts, expenditures and cash balances of the City as of June 30, 2023 attached as Appendix C to the Official Statement fairly represent the receipts, expenditures and cash balances of the City. Except as disclosed in the Official Statement or otherwise disclosed in writing to the Underwriter, there has not been any materially adverse change in the financial condition of the City or in its operations since June 30, 2023 and there has been no occurrence, circumstance or combination thereof which is reasonably expected to result in any such materially adverse change.

(n) To the extent required by law, the City will undertake, pursuant to the Continuing Disclosure Certificate and the other City Documents, to provide annual reports and notices of certain events, if material. A description of this undertaking is set forth in Appendix E to the Preliminary Official Statement and will also be set forth in the Official Statement.

(o) Except in connection with the issuance of refunding bonds pursuant to the terms of the Indenture or as permitted under the Lease Agreement due to damage, destruction, or substantial interference with the use and occupancy by the City of the Leased Property or any portion thereof, the City will refrain from taking any action, or permitting any action to be taken, to reduce the amount of the Lease Payments while the Bonds are Outstanding, and the City will pay the Lease Payments in accordance with the Lease Agreement.

(p) Any certificate signed by any officer of the City authorized to execute such certificate in connection with the execution, sale and delivery of the Bonds and delivered to the Underwriter shall be deemed a representation and warranty of the City to the Underwriter and the Authority as to the statements made therein but not of the person signing such certificate.

Section 8. Conditions to the Obligations of the Underwriter. The Underwriter has entered into this Purchase Agreement in reliance upon the representations and warranties of the Authority and the City contained herein. The obligations 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 statements of the officers and other officials of the Authority and of the City, as well as authorized representatives of Bond Counsel and the Trustee made in any Bonds or other documents furnished pursuant to the provisions hereof; to the performance by the Authority and the City of their obligations to be performed hereunder at or prior to the Closing Date; and to the following additional conditions:

(a) The representations, warranties and covenants of the City and the Authority contained herein shall be true and correct at the date hereof and at the time of the Closing, as if made on the Closing Date.

(b) At the time of Closing, the City Documents and the Authority Documents shall be in full force and effect as valid and binding agreements between or among the various parties thereto, and the City Documents, the Authority Documents and the Official Statement shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter.

(c) At the time of the Closing, no material default shall have occurred or be existing under the City Documents, Authority Documents, or any other agreement or document pursuant to which any of the City's financial obligations were executed and delivered, and the City shall not be in default in the payment of principal or interest with respect to any of its financial obligations, which default would materially adversely impact the ability of the City to pay the Lease Payments.

(d) In recognition of the desire of the Authority, the City and the Underwriter to effect a successful public offering of the Bonds, and in view of the potential adverse impact of any of the following events on such a public offering, this Purchase Agreement shall be subject to termination in the discretion of the Underwriter by notification, in writing, to the Authority and the City prior to delivery of and payment for the Bonds, if at any time prior to such time, regardless of whether any of the following statements of fact were in existence or known of on the date of this Purchase Agreement:

(i) any event shall occur which makes untrue any material statement or results in an omission to state a material fact necessary to make the statements in the Official

Statement, in the light of the circumstances under which they were made, not misleading, which event, in the reasonable opinion of the Underwriter would materially or adversely affect the ability of the Underwriter to market the Bonds; or

(ii) the marketability of the Bonds or the market price thereof, in the opinion of the Underwriter, has been materially adversely affected by an amendment to the Constitution of the United States or by any legislation in or by the Congress of the United States or by the State, or the amendment of legislation pending as of the date of this Purchase Agreement in the Congress of the United States, or the recommendation to Congress or endorsement for passage (by press release, other form of notice or otherwise) of legislation by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or the proposal for consideration of legislation by either such Committee or by any member thereof, or the presentment of legislation for consideration as an option by either such Committee, or by the staff of the Joint Committee on Taxation of the Congress of the United States, or the favorable reporting for passage of legislation to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or any decision of any federal or state court or any ruling or regulation (final, temporary or proposed) or official statement on behalf of the United States Treasury Department, the Internal Revenue Service or other federal or State authority affecting the federal or State tax status of the Authority or the City, or the interest on or with respect to bonds or notes (including the Bonds); or

(iii) any legislation, ordinance, rule or regulation shall be enacted by any governmental body, department or authority of the State, or a decision by any court of competent jurisdiction within the State shall be rendered which materially adversely affects the market price of the Bonds; or

(iv) an order, decree or injunction issued by any court of competent jurisdiction, or order, ruling, regulation (final, temporary or proposed), official statement or other form of notice or communication issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental authority having jurisdiction of the subject matter, to the effect that: (i) obligations of the general character of the Bonds, or the Bonds, including any or all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended, or that the Indenture is not exempt from qualification under the Trust Indenture Act of 1939, as amended; or (ii) the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including any or all underlying obligations, as contemplated hereby or by the Official Statement, is or would be in violation of the federal securities laws as amended and then in effect; or

(v) legislation shall be enacted by the Congress of the United States, or a decision by a court of the United States shall be rendered, to the effect that obligations of the general character of the Bonds, or the Bonds are not exempt from registration under or other requirements of the Securities Act of 1933, as amended and as then in effect, or the Securities Exchange Act of 1934, as amended and as then in effect, or that the Indenture is not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amended and as then in effect; or

(vi) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any domestic governmental authority or

by any domestic national securities exchange, which are material to the marketability of the Bonds; or

(vii) a general banking moratorium shall have been declared by federal, State or New York authorities, or the general suspension of trading on any national securities exchange; or

(viii) there shall have occurred any outbreak or escalation of hostilities, declaration by the United States of a national emergency or war or other calamity or crisis the effect of which on financial markets is materially adverse such as to make it, in the sole judgment of the Underwriter, impractical or inadvisable to proceed with the purchase or delivery of the Bonds as contemplated by the Official Statement (exclusive of any amendment or supplement thereto); or

(ix) any rating of the Bonds or the rating of any obligations of the City secured by the City's general fund shall have been downgraded or withdrawn by a national rating service, which, in the opinion of the Underwriter, materially adversely affects the market price of the Bonds; or

(x) the commencement of any action, suit or proceeding described in Section 6(g) or Section 7(h).

(e) at or prior to the Closing, the Underwriter shall receive the following documents, in each case to the reasonable satisfaction in form and substance of the Underwriter:

(i) The Authority Resolutions relating to the Bonds and authorizing the execution and delivery of the Bonds and the Authority Documents and the Official Statement signed by an authorized official of the Authority;

(ii) The City Resolutions relating to the Bonds and authorizing the execution and delivery of the City Documents and the delivery of the Bonds and the Official Statement signed by an authorized official of the City;

(iii) The City Documents and the Authority Documents duly executed and delivered by the respective parties thereto, with only such amendments, modifications or supplements as may have been agreed to in writing by the Underwriter;

(iv) The approving opinion of Bond Counsel dated the Closing Date and addressed to the Authority and the City, in substantially the form attached as Appendix D to the Official Statement, and a reliance letter thereon addressed to the Underwriter;

(v) A supplemental opinion of Bond Counsel dated the Closing Date and addressed to the Underwriter, to the effect that:

(A) the statements on the cover of the Official Statement and in the Official Statement under the captions "INTRODUCTION," THE LEASED PROPERTY," "THE 2024 BONDS," "SECURITY FOR THE 2024 BONDS," and "TAX MATTERS," and in Appendix B—"SUMMARY OF PRINCIPAL LEGAL DOCUMENTS" and Appendix D—"PROPOSED FORM OF OPINION OF BOND COUNSEL," excluding any material that may be treated as included under such captions and appendices by any cross-reference, insofar as such statements expressly summarize provisions of the City Documents, the Authority Documents and

Bond Counsel's final opinion concerning certain federal tax matters relating to the Bonds, present a fair and accurate summary of the provisions thereof, provided that Bond Counsel need not express any opinion with respect to any financial or statistical data contained therein or with respect to the book-entry system in which the Bonds are initially delivered;

(B) The Purchase Agreement has been duly authorized, executed and delivered by the City and the Authority and is the valid, legal and binding agreement of the City and the Authority, enforceable in accordance with its terms, except that the rights and obligations under the Purchase Agreement are subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws affecting creditors' rights, to the application of equitable principles if equitable remedies are sought, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against public agencies in the State, and provided that no opinion is expressed with respect to any indemnification or contribution provisions contained therein;

(C) The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended; and

(vi) The Official Statement, executed on behalf of the Authority and the City, and the Preliminary Official Statement;

(vii) Evidence that the ratings on the Bonds are as described in the Official Statement;

(viii) A certificate, dated the Closing Date, signed by a duly authorized officer of the Authority satisfactory in form and substance to the Underwriter to the effect that: (i) the representations, warranties and covenants of the Authority 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 by the Authority, and the Authority has complied with, in all material respects, all of the terms and conditions of this Purchase Agreement required to be complied with by the Authority at or prior to the Closing Date; (ii) no event affecting the Authority has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purposes for which it is to be used or which is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect; and (iii) the Authority is not, in any material respect, in breach of or default under any applicable law or administrative regulation of the State or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Authority is a party or is otherwise subject, which would have a material adverse impact on the Authority's ability to perform its obligations under the Authority Documents, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument;

(ix) A certificate, dated the Closing Date, signed by a duly authorized officer of the City satisfactory in form and substance to the Underwriter to the effect that: (i) the representations, warranties and covenants of 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 by the City, and the City has complied with, in all material respects, all of the terms and conditions of the Purchase Agreement required to be complied with by the City at or prior to the

Closing Date; (ii) no event affecting the City has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purposes for which it is to be used or which is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect; (iii) the information and statements contained in the Official Statement (other than information in the Official Statement under the caption "UNDERWRITING" and information regarding DTC and its book entry only system) did not as of its date and do not as of the Closing contain an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading in any material respect; and (iv) the City is not, in any material respect, in breach of or default under any applicable law or administrative regulation of the State or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement (including but not limited to the Lease) or other instrument to which the City is a party or is otherwise subject, which would have a material adverse impact on the City's ability to perform its obligations under the City Documents, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute such a default or event of default under any such instrument;

(x) An opinion dated the Closing Date and addressed to the Underwriter, of the City Attorney of the City, as Counsel to the Authority, to the effect that:

(A) The Authority is a public body, organized and existing under the Constitution and laws of the State, including the JPA Act and the JPA Agreement;

(B) The Authority Resolutions were duly adopted by the Authority at regular meetings of the Authority, are in full force and effect and have not been modified, amended, rescinded or repealed since their date of adoption;

(C) Except as otherwise disclosed in the Official Statement, there is no litigation, proceeding, action, suit, or investigation at law or in equity before or by any court, governmental authority or body, pending, with service of process upon the Authority having been accomplished, or threatened in writing against the Authority, challenging the creation, organization or existence of the Authority, or the validity of the Authority Documents or seeking to restrain or enjoin the collection of Lease Payments with respect to the Lease Agreement or the repayment of the Bonds or in any way contesting or affecting the validity of the Authority Documents or contesting the authority of the Authority to enter into or perform its obligations under any of the Authority Documents;

(D) The execution and delivery of the Authority Documents and the issuance of the Bonds and compliance with the provisions thereof, do not and will not in any material respect conflict with or constitute on the part of the Authority a breach of or default under any agreement or other instrument to which the Authority is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the Authority is subject, which breach or default has or may have a material adverse effect on the ability of the Authority to perform its obligations under the Authority Documents; and

(xi) an opinion dated the Closing Date and addressed to the Underwriter, of the City Attorney of 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;

(B) The City Resolutions have been duly adopted by the City Council after holding a duly noticed public hearing (to the extent required by Government Code Section 6586.5), are in full force and effect and have not been modified, amended, rescinded or repealed since their date of adoption;

(C) Except as otherwise disclosed in the Official Statement, there is no litigation, proceeding, action, suit, or investigation at law or in equity before or by any court, governmental authority or body, pending, with service of process upon the City having been accomplished, or threatened in writing against the City, challenging the creation, organization or existence of the City, or the validity of the City Documents or seeking to restrain or enjoin the payment of the Lease Payments or the repayment of the Bonds or in any way contesting or affecting the validity of the City Documents or contesting the authority of the City to enter into or perform its obligations under any of the City Documents, or which, in any manner, questions the right of the City to pay the Lease Payments under the Lease Agreement;

(D) The execution and delivery of the City Documents and compliance with the provisions thereof, do not and will 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 or any existing law, regulation, court order or consent decree to which the City is subject, which breach or default has or may have a material adverse effect on the ability of the City to perform its obligations under the City Documents; and

(xii) A negative assurance letter of Jones Hall, A Professional Law Corporation, San Francisco, California, in its capacity as Disclosure Counsel, dated the Closing Date and addressed to the Authority, the City and 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, and information regarding DTC and its book-entry only system, that is contained or incorporated by reference in the Preliminary Official Statement or the Official Statement and the appendices to the Preliminary Official Statement or 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;

(xiii) An opinion of Stradling Yocca Carlson & Rauth LLP, counsel to the Underwriter, in form and substance satisfactory to the Underwriter;

(xiv) An opinion of counsel to the Trustee, addressed to the Underwriter and dated the Closing Date, in form and substance satisfactory to the Underwriter and to Bond Counsel;

(xv) A certificate, dated the Closing Date, signed by a duly authorized official of the Trustee in form and substance satisfactory to the Underwriter;

(xvi) The preliminary and final Statement of Sale required to be delivered to the California Debt and Investment Advisory Commission pursuant to Section 53583 of the Government Code and Section 8855(g) of the Government Code;

(xvii) A copy of the executed Blanket Issuer Letter of Representations by and between the Authority and DTC relating to the book-entry system;

(xviii) The tax and nonarbitrage certificate of the Authority and the City in form and substance to the reasonable satisfaction of Bond Counsel and the Underwriter;

(xix) A certificate, dated the date of the Preliminary Official Statement, of the City, as required under Rule 15c2-12;

(xx) A certificate, dated the date of the Preliminary Official Statement, of the Authority, as required under Rule 15c2-12;

(xxi) Certified copies of the JPA Agreement and all amendments thereto and related certificates issued by the Secretary of State of the State;

(xxii) A certified copy of the general resolution of the Trustee authorizing the execution and delivery of certain documents by certain officers of the Trustee, which resolution authorizes the execution and delivery of the Indenture and the authentication and delivery of the Bonds by the Trustee;

(xxiii) A copy of an ALTA or CLTA title insurance policy in an amount equal to the principal amount of the Bonds, insuring the City's leasehold interest in the Leased Property, subject only to permitted encumbrances or such other encumbrances approved in writing by the Underwriter;

(xxiv) [The executed Insurance Policy of the Insurer insuring the scheduled payment of principal of and interest on the Bonds, substantially in the form attached as Appendix __ to the Official Statement;]

(xxv) [an opinion of counsel to the Insurer, dated the Closing, Date addressed to the Underwriter, in form and substance acceptable to the Underwriter, substantially to the effect that: (i) the Insurer has been duly incorporated and is validly existing and in good standing under the laws of the State of its incorporation; (ii) the Insurance Policy constitutes the legal, valid and binding obligation of the Insurer enforceable in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, reorganization, rehabilitation and other similar laws of general applicability relating to or affecting creditors' and/or claimants' rights against insurance companies and to general equity principles; and (iii) the information contained in the Official Statement with respect to the Insurer and the Insurance Policy does not 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 light of the circumstances under which they were made, not misleading;] and

(xxvi) Such additional legal opinions, certificates, proceedings, instruments or other documents as Bond Counsel or the Underwriter may reasonably request.

Section 9. Changes in Official Statement. After the Closing, neither the Authority nor the City will adopt any amendment of or supplement to the Official Statement to which the Underwriter shall reasonably object in writing. Within 90 days after the Closing or within 25 days following the "end of the underwriting period," whichever occurs first, if any event relating to or affecting the Bonds, the Trustee, the City or the Authority shall occur as a result of which it is necessary, in the opinion of the Underwriter, to amend or supplement the Official Statement in order to make the Official Statement not misleading in any material respect in the light of the circumstances existing at the time it is delivered to a purchaser, the Authority will forthwith prepare and furnish to the Underwriter an amendment or supplement that will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to purchaser, not misleading. The City and the Authority shall cooperate with the Underwriter in the filing by the Underwriter of such amendment or supplement to the Official Statement with the MSRB. The Underwriter acknowledges that the "end of the underwriting period" will be the Closing Date.

Section 10. Expenses. The Authority or the City will pay or cause to be paid the approved expenses incident to the performance of its obligations hereunder and certain expenses relating to the sale of the Bonds, including, but not limited to (a) the cost of the preparation and printing or other reproduction of the Authority Documents and the City Documents (other than this Purchase Agreement); (b) the fees and disbursements of Bond Counsel, Disclosure Counsel, the Municipal Advisor and any other experts or other consultants retained by the Authority or the City; (c) the costs and fees of the credit rating agencies; (d) the cost of preparing and delivering the definitive Bonds; (e) the cost of providing immediately available funds on the Closing Date; (f) the cost of the printing or other reproduction of the Preliminary Official Statement and Official Statement and any amendment or supplement thereto, including a reasonable number of certified or conformed copies thereof; (g) the Underwriter's out-of-pocket expenses (included in the expense component of the Underwriter's discount) incurred by the Underwriter on behalf of the City's employees which are incidental to implementing this Purchase Agreement; and (h) the fees for counsel to the Underwriter. The Underwriter will pay the expenses of the preparation of this Purchase Agreement, including CDIAC fees, 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.

Section 11. Notices. 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, CA 95864, Attention: Dennis McGuire. All notices or communications hereunder by any party shall be given and served upon each other party. Any notice or communication to be given the Authority under this Purchase Agreement may be given by delivering the same in writing to the Tracy Public Financing Authority, c/o City of Tracy, 333 Civic Center Plaza, Tracy, California 95376, Attention: Finance Director. Any notice or communication to be given 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.

Section 12. Parties in Interest. This Purchase Agreement is made solely for the benefit of the Authority, the City and the Underwriter (including the successors or assigns thereof) and no other person shall acquire or have any right hereunder or by virtue hereof. All representations, warranties and agreements of the Authority and the City in this Purchase Agreement shall remain

operative and in full force and effect regardless of any investigation made by or on behalf of the Underwriter and shall survive the delivery of and payment for the Bonds.

Section 13. Severability. In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof.

Section 14. 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.

Section 15. Electronic Signatures.

(a) The parties hereto acknowledge and agree that this Purchase Agreement may be executed by one or more electronic means (hereinafter referred to as "Electronic Signatures"). Each party hereto agrees that Electronic Signatures provided by such party shall constitute effective execution and delivery of this Purchase Agreement by such party to all other parties to or relying on this Purchase Agreement. Each party hereto agrees that Electronic Signatures shall constitute complete and satisfactory evidence of the intent of such party to be bound by those signatures and by the terms and conditions of this Purchase Agreement as signed. Each party agrees that Electronic Signatures shall be deemed to be original signatures for all purposes.

(b) Each party hereto agrees to accept Electronic Signatures provided by any and all other parties to this Purchase Agreement as (i) full and sufficient intent by such parties to be bound hereunder, (ii) effective execution and delivery of this Purchase Agreement and (iii) constituting this Purchase Agreement an original for all purposes, without the necessity for any manually signed copies to be provided, maintained or to exist for back up or for any other purpose.

(c) If Electronic Signatures are used to execute this Purchase Agreement, each party hereto hereby accepts the terms of, and intends and does sign, this Purchase Agreement by its Electronic Signature hereto.

Section 16. Governing Law. This Purchase Agreement shall be governed by and construed in accordance with the laws of the State.

PIPER SANDLER & CO.

By: _____
Title: Authorized Officer

Accepted as of the date first stated above:

CITY OF TRACY

By: _____
Its: Finance Director

Time of Execution: _____ p.m. Pacific Time

TRACY PUBLIC FINANCING AUTHORITY

By: _____
Its: Treasurer

Time of Execution: _____ p.m. Pacific Time

EXHIBIT A

$_____
TRACY PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS, SERIES 2024A
(MULTI-GENERATIONAL RECREATION CENTER PROJECT)

MATURITY SCHEDULE

Maturity Date (November 1)	*Principal Amount*	*Interest Rate*	*Yield*	*Initial Offering Price*	*10% Test Used*	*Hold the Offering Price Rule Used*
	$	%	%			

[C] Priced to first optional redemption date of _____ 1, 20__ at par.

EXHIBIT B

$_____
TRACY PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS, SERIES 2024A
(MULTI-GENERATIONAL RECREATION CENTER PROJECT)

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) PSC 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 _____, 2024, by and among PSC, the Issuer and the City of Tracy, PSC 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. ***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 _____, 2024 (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 Tracy Public Financing Authority.

(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 _____, 2024.

(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: _____, 2024

SCHEDULE A

SALE PRICES OF THE GENERAL RULE MATURITIES AND INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES

(*Attached*)

SCHEDULE B

PRICING WIRE OR EQUIVALENT COMMUNICATION

(Attached)

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances will this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy nor will there be any sale of these securities in any jurisdiction in which such offer solicitation or sale would be unlawful.

PRELIMINARY OFFICIAL STATEMENT DATED MAY [23], 2024

NEW ISSUE - FULL BOOK-ENTRY **RATING: Standard & Poor's: "___"**
See "RATING" herein.

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 2024 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 2024 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 "TAX MATTERS."

$_____*
TRACY PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS, SERIES 2024A
(MULTI-GENERATIONAL RECREATION CENTER PROJECT)

Dated: Date of Delivery **Due: November 1, as shown on inside cover**

Authority for Issuance. The bonds captioned above (the "2024 Bonds") are being issued by the Tracy Public Financing Authority (the "Authority") under a resolution adopted by the Board of Directors of the Authority on January 16, 2024, and an Indenture of Trust dated as of June 1, 2024 (the "Indenture") by and between the Authority and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"). See "THE 2024 BONDS – Authority for Issuance."

Purpose. The 2024 Bonds are being issued primarily to finance the acquisition and construction of a multi-generational recreation center in El Pescadero Park, improvements to El Pescadero Park and related public improvements that may be identified from time to time by the City. In addition, the proceeds of the 2024 Bonds will be used to (i) if elected by the Authority, pay the premium for a municipal bond insurance policy, and (ii) pay the costs of issuing the 2024 Bonds. See "FINANCING PLAN."

Security. Under the Indenture, the 2024 Bonds are payable from and secured by a first pledge of and lien on "Revenues" consisting primarily of lease payments (the "Lease Payments") made by the City for the lease of property under a Lease Agreement dated as of June 1, 2024, between the Authority, as lessor, and the City, as lessee, concerning the leaseback of certain real property and improvements, as further described in this Official Statement. The 2024 Bonds are also secured by certain funds on deposit under the Indenture. The Authority is considering the use of a municipal bond insurance policy that guarantees the scheduled payment of principal of and interest on all or a portion of the 2024 Bonds when due. The Authority will decide whether or not to utilize a municipal bond insurance policy depending on market conditions at the time of sale of the 2024 Bonds. See "SECURITY FOR THE 2024 BONDS."

Book-Entry Only. The 2024 Bonds will be issued in book-entry form only, and will be initially issued and registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC"). The 2024 Bonds are issuable as fully registered securities in denominations of $5,000 or any integral multiple of $5,000. Purchasers of the 2024 Bonds (the "Beneficial Owners") will not receive physical certificates representing their interest in the 2024 Bonds. See "THE 2024 BONDS" and "APPENDIX F - DTC AND THE BOOK-ENTRY ONLY SYSTEM."

Payments. Interest on the 2024 Bonds accrues from the date of delivery and is payable semiannually on May 1 and November 1 of each year, commencing November 1, 2024. Payments of principal and interest on the 2024 Bonds will be paid by the Trustee to DTC for subsequent disbursement to DTC Participants, which will remit such payments to the Beneficial Owners of the 2024 Bonds. See "THE 2024 BONDS - General Provisions."

Redemption. The 2024 Bonds are subject to optional redemption, mandatory sinking fund payment redemption and special mandatory redemption from insurance or condemnation proceeds prior to maturity. See "THE 2024 BONDS – Redemption."

NEITHER THE 2024 BONDS, NOR THE OBLIGATION OF THE AUTHORITY TO PAY PRINCIPAL OF OR INTEREST THEREON, NOR THE OBLIGATION OF THE CITY TO MAKE THE LEASE PAYMENTS, CONSTITUTE A DEBT OR A LIABILITY OF THE AUTHORITY, THE CITY, THE STATE OF CALIFORNIA OR ANY OF ITS POLITICAL SUBDIVISIONS WITHIN THE MEANING OF ANY CONSTITUTIONAL LIMITATION ON INDEBTEDNESS, OR A PLEDGE OF THE FULL FAITH AND CREDIT OF THE CITY. THE 2024 BONDS ARE SECURED SOLELY BY THE PLEDGE OF REVENUES AND CERTAIN FUNDS HELD UNDER THE INDENTURE. THE 2024 BONDS ARE NOT SECURED BY A PLEDGE OF THE TAXING POWER OF THE CITY.

MATURITY SCHEDULE
(see inside cover)

Cover Page. This cover page contains certain information for general reference only. It is not a summary of all the provisions of the 2024 Bonds. Prospective investors must read the entire Official Statement to obtain information essential to making an informed investment decision.

The 2024 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. Certain legal matters will also be passed upon for the Authority and the City by Jones Hall, A Professional Law Corporation, as Disclosure Counsel. Certain legal matters will be passed upon for the City by the City Attorney. Stradling Yocca Carlson & Rauth, LLP, Newport Beach, California, is serving as counsel to the Underwriter. It is anticipated that the 2024 Bonds will be delivered in book-entry form through the facilities of DTC on or about June [___], 2024.

[Piper Sandler Logo]

The date of this Official Statement is: _____, 2024

* *Preliminary; subject to change.*

TRACY PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS, SERIES 2024A
(MULTI-GENERATIONAL RECREATION CENTER PROJECT)

MATURITY SCHEDULE*
(Base CUSIP:† _____)

$_____ Serial Bonds

Maturity Date (November 1)	Principal Amount	Interest Rate	Yield	Price	CUSIP†

$_____ ___% Term Bond Due November 1, ____, Yield ___%, Price: ____%, CUSIP: _____

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* *Preliminary; subject to change.*

† CUSIP Global Services (CGS) is managed on behalf of American Bankers Association by FactSet Research Systems Inc. Copyright© 2024 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. None of the City, the Authority or the Underwriter take any responsibility for the accuracy of the CUSIP data.

TRACY PUBLIC FINANCING AUTHORITY
CITY OF TRACY

BOARD OF DIRECTORS OF THE AUTHORITY
AND MEMBERS OF THE CITY COUNCIL

Nancy Young, *Chair and Mayor*
Eleassia Davis, *Vice Chair and Mayor Pro Tem*
Dan Arriola, *Member and Council Member*
Mateo Bedolla, *Member and Council Member*
Dan Evans, *Member and Council Member*

CITY STAFF

Midori Lichtwardt, City Manager
Karin Schnaider, Assistant City Manager
Sara Cowell, Finance Director
Adrienne Richardson, City Clerk
Bijal Patel, City Attorney

PROFESSIONAL SERVICES

BOND AND DISCLOSURE COUNSEL

Jones Hall, A Professional Law Corporation
San Francisco, California

MUNICIPAL ADVISOR

CSG Advisors Incorporated
San Francisco, California

Trustee

U.S. Bank Trust Company, National Association
San Francisco, California

GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

Use of Official Statement. This Official Statement is submitted in connection with the sale of the 2024 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 between any bond owner and the Authority or the Underwriter.

No Offering Except by This Official Statement. No dealer, broker, salesperson or other person has been authorized by the Authority or the Underwriter to give any information or to make any representations other than those contained in this Official Statement and, if given or made, such other information or representation must not be relied upon as having been authorized by the Authority or the Underwriter.

No Unlawful Offers or Solicitations. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor may there be any sale of the 2024 Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

Preparation of Official Statement. The information set forth in this Official Statement has been furnished by the Authority and other sources which are believed to be reliable, but it 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.

Estimates and Forecasts. When used in this Official Statement and in any continuing disclosure by the Authority in any press release and in any oral statement made with the approval of an authorized officer of the City or the Authority or any other entity described or referenced herein, the words or phrases "will likely result," "are expected to", "will continue", "is anticipated", "estimate", "project", "forecast", "expect", "intend" and similar expressions identify "forward looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, give rise to any implication that there has been no change in the affairs of the City, Authority or any other entity described or referenced herein since the date hereof.

Stabilization of and Changes to Offering Prices. The Underwriter may overallot or take other steps that stabilize or maintain the market prices of the 2024 Bonds at levels above that which 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 2024 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.

Document Summaries. All summaries of the Indenture or other documents referred to in this Official Statement are made subject to the provisions of such documents and qualified in their entirety to reference to such documents, and do not purport to be complete statements of any or all of such provisions.

No Securities Laws Registration. The 2024 Bonds have not been registered under the Securities Act of 1933, as amended, in reliance upon exceptions therein for the issuance and sale of municipal securities. The 2024 Bonds have not been registered or qualified under the securities laws of any state.

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 2024 Bonds will, under any circumstances, give rise to any implication that there has been no change in the affairs of the City, the Authority, the other parties described in this Official Statement, or the condition of the property within the City since the date of this Official Statement.

Website. The City maintains a website. However, the information presented on the website is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the 2024 Bonds.

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OFFICIAL STATEMENT

**$_____*
TRACY PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS, SERIES 2024A
(MULTI-GENERATIONAL RECREATION CENTER PROJECT)**

The purpose of this Official Statement, which includes the cover page, inside cover page and attached appendices, is to set forth certain information concerning the sale and delivery of the bonds captioned above (the "**2024 Bonds**") by the Tracy Public Financing Authority (the "**Authority**"). All capitalized terms used in this Official Statement, unless noted otherwise, have the meanings set forth in the Indenture (as defined below).

INTRODUCTION

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 and the documents summarized or described herein. A full review should be made of the entire Official Statement. The offering of the 2024 Bonds to potential investors is made only by means of the entire Official Statement.

Authority for Issuance. The Authority is issuing the 2024 Bonds under the following:

(a) Article 4 of Chapter 5, Division 7, Title 1 of the California Government Code, as amended, commencing with Section 6584 (the "**Law**"),

(b) resolutions adopted by the Board of Directors (the "**Board**") of the Authority on January 16, 2024 (the "**Authority Resolution**"), and by the City Council (the "**City Council**") of the City of Tracy (the "**City**") on January 16, 2024 (the "**City Resolution**"), and

(c) an Indenture of Trust (the "**Indenture**") dated as of June 1, 2024, by and between the Authority and U.S. Bank Trust Company, National Association, as trustee (the "**Trustee**").

The Authority. The Authority is a joint powers authority between the City and the Tracy Industrial Development Authority established under a First Amended and Restated Joint Powers Agreement, dated as of October 17, 2018, entered into under Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the California Government Code, as amended, for the purpose, among others, of issuing its bonds to be used to finance and refinance the acquisition, construction and improvement of certain public capital improvements in the City.

* *Preliminary; subject to change.*

The City. The City is located on the western edge of the Central Valley in San Joaquin County (the **"County"**), approximately 60 miles east of San Francisco and approximately 70 miles south of Sacramento. See "CITY FINANCIAL INFORMATION – General."

Purpose of the 2024 Bonds. The 2024 Bonds are being issued primarily to finance the acquisition and construction of a multi-generational recreation center in El Pescadero Park, improvements to El Pescadero Park and related public improvements that may be identified from time to time by the City. In addition, proceeds of the 2024 Bonds will be used to pay the costs of issuing the 2024 Bonds and, if elected by the Authority, to pay the premium for a municipal bond insurance policy. See "FINANCING PLAN."

Security for the 2024 Bonds and Pledge of Revenues. Under the Indenture, the 2024 Bonds are payable from and secured by a first pledge of and lien on "**Revenues**," consisting primarily of lease payments (the "**Lease Payments**") made by the City for the lease of property under the Lease Agreement dated as of June 1, 2024, between the Authority, as lessor, and the City, as lessee (the "**Lease Agreement**"), concerning the leaseback of certain real property and improvements consisting of El Pescadero Park, the City Hall Complex, Fire Station 92, and Fire Station 96, with certain exceptions described herein (the "**Leased Property**").

The 2024 Bonds are also secured by certain funds on deposit under the Indenture. See "SECURITY FOR THE 2024 BONDS."

In order to provide the upfront site lease payment to facilitate the financing plan, the City and the Authority will enter into a Site Lease dated as of June 1, 2024 (the "**Site Lease**"), under which the City will lease the Leased Property to the Authority. Concurrently, the City and the Authority will enter into the Lease Agreement, under which the Authority will lease the Leased Property back to the City. See "THE LEASED PROPERTY."

Potential Bond Insurance Policy. The Authority is considering the use of a municipal bond insurance policy that guarantees the scheduled payment of principal of and interest on all or a portion of the 2024 Bonds when due. The Authority will decide whether or not to utilize a municipal bond insurance policy depending on market conditions at the time of sale of the 2024 Bonds.

No Reserve Fund. No debt service reserve fund has been established with respect to the 2024 Bonds. See "BOND OWNERS' RISKS – No Debt Service Reserve Fund."

Form of Bonds; Book-Entry Only. The 2024 Bonds will be issued in fully registered form, registered in the name of The Depository Trust Company, New York, New York ("**DTC**"), or its nominee, which will act as securities depository for the 2024 Bonds. Purchasers of the 2024 Bonds will not receive certificates representing the 2024 Bonds that are purchased. See "THE 2024 BONDS – Book-Entry Only System" and "APPENDIX F – DTC AND THE BOOK-ENTRY ONLY SYSTEM."

Redemption. The 2024 Bonds are subject to optional redemption, mandatory redemption from sinking fund payments, and special mandatory redemption from the proceeds of insurance or condemnation proceeds prior to their stated maturity dates. See "THE 2024 BONDS – Redemption."

Abatement. The Lease Payments are subject to complete or partial abatement in the event and to the extent that there is substantial interference with the City's use and possession

of the Leased Property or any portion thereof. If the Lease Payments are abated under the Lease Agreement, the Owners of the 2024 Bonds would receive less than the full amount of principal of and interest on the 2024 Bonds. To the extent proceeds of rental interruption insurance are available (as described below), Lease Payments (or a portion thereof) may be made from those proceeds during periods of abatement. See "SECURITY FOR THE 2024 BONDS – Abatement" and "BOND OWNERS' RISKS."

Additional Bonds. The Indenture permits the Authority, by supplemental indenture, to establish one or more other issues of additional bonds secured by a pledge of and payable from Revenues on a parity with the 2024 Bonds (the "**Additional Bonds**"; the 2024 Bonds and any Additional Bonds are referred to in this Official Statement collectively as the "**Bonds**"), subject to certain conditions set forth in the Indenture. See "SECURITY FOR THE 2024 BONDS – Additional Bonds."

Legal Opinion. Upon delivery of the 2024 Bonds, Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel ("**Bond Counsel**") will release its final approving legal opinion with respect to the 2024 Bonds, regarding the validity and tax-exempt status of the 2024 Bonds, in the form attached hereto as APPENDIX D.

Risks of Investment. Debt service on the 2024 Bonds is payable only from Lease Payments and other amounts payable by the City to the Authority under the Lease Agreement. For a discussion of some of the risks associated with the purchase of the 2024 Bonds, see "BOND OWNERS' RISKS."

NEITHER THE BONDS, THE OBLIGATION OF THE AUTHORITY TO PAY PRINCIPAL OF OR INTEREST THEREON, NOR THE OBLIGATION OF THE CITY TO MAKE THE LEASE PAYMENTS, CONSTITUTE A DEBT OR A LIABILITY OF THE AUTHORITY, THE CITY, THE STATE OR ANY OF ITS POLITICAL SUBDIVISIONS WITHIN THE MEANING OF ANY CONSTITUTIONAL LIMITATION ON INDEBTEDNESS, OR A PLEDGE OF THE FULL FAITH AND CREDIT OF THE CITY. THE BONDS ARE SECURED SOLELY BY THE PLEDGE OF REVENUES AND CERTAIN FUNDS HELD UNDER THE INDENTURE. THE BONDS ARE NOT SECURED BY A PLEDGE OF THE TAXING POWER OF THE CITY.

FINANCING PLAN

The Project

A portion of the proceeds of the 2024 Bonds will be used to finance a portion of the cost of the redevelopment of El Pescadero Park in order to create a new multi-generational recreation center, and such other improvements that may be identified from time to time by the City (the "**Project**"). The proposed multi-generational recreation center will consist of an approximately 61,300-square-foot, two-story building that will include a three-court gymnasium, two multi-purpose rooms, kitchen, entry lobby, bouldering wall, teen lounge and technology area, makers space, restrooms, offices, elevated running track and outdoor courtyard. Additional park improvements will include a dog park, skate park, basketball court, passive trails, landscaping and lighting. In addition, an existing parking lot will be reconfigured, and new parking stalls added to expand the overall parking capacity, while the existing access road/driveway from West Grant Line Road will be extended through the existing parking lot and along the southern and eastern boundaries of the site, connecting to West Kavanagh Avenue at the northern boundary of the project site. The total cost for the Project is anticipated to be approximately $88 million and, in addition to a portion of the proceeds of the 2024 Bonds, is expected to be funded from general funds of the City and a State grant that has already been funded to the City. Construction of the multi-generational recreation center project is expected to commence in late Spring 2024 and be completed in Summer 2026.

Estimated Sources and Uses of Funds

The estimated sources and uses of funds relating to the 2024 Bonds are as follows:

Sources of Funds:	
Principal Amount of 2024 Bonds	$
Plus/Minus: [Net] Original Issue Premium/Discount	
TOTAL SOURCES	$
Uses of Funds:	
Deposit to Project Fund	$
Deposit to Costs of Issuance Fund (1)	
Underwriter's Discount	
TOTAL USES	$

(1) Represents funds to be used to pay Costs of Issuance, which include legal fees, printing costs, rating agency fees, premiums for any municipal bond insurance policy, if obtained, and other costs of issuing the 2024 Bonds.

THE LEASED PROPERTY

Description and Location

Lease Payments will be made by the City under the Lease Agreement for the use and occupancy of the Leased Property, which consists of the following:

(i) *El Pescadero Park*. El Pescadero Park is an approximately 14-acre site located at 301 West Grant Line Road in the City that currently includes a skate park and restroom facilities. El Pescadero Park is the site of the proposed multi-generational recreation center to be financed in part with a portion of the proceeds of the 2024 Bonds. The following portions of El Pescadero Park are specifically excluded from the Leased Property: (a) an approximately 0.75-acre portion located in the southwestern portion of the parcel that is subject to an unrecorded ground lease between the City and Tracy Interfaith Ministries, along with non-exclusive use of an adjacent parking lot, and (b) an approximately 0.50-acre portion located in the southwestern portion of the parcel, consisting generally of an unused former fire station and support building, that is subject to an unrecorded lease between the City and the South San Joaquin Fire Authority.

(ii) *City Hall Complex*. The City Hall Complex is a collection of buildings located generally at 333 Civic Center Plaza in the City. The City Hall Building is a 42,000-square foot, two-story steel frame building constructed in 2007. The Support Services Building is an 8,500-square foot wood frame building constructed in 1972. The Community Center is a 9,000-square foot wood frame building constructed in 1981. The Senior Center is a 5,200-square foot wood frame building constructed in 1987. The Police Annex is an 11,000-square foot masonry and wood frame building constructed in 1987. The City Hall Complex also includes a modular building adjacent to the City Hall Building and an elevated water storage tank. The following is specifically excluded from the Leased Property: an approximately 96-square foot portion of ground space for communication equipment and space on the City's existing monopole tower that is subject to an unrecorded Site Lease Agreement between the City and Clearwire, LLC.

(iii) *Fire Station 92*. Fire Station 92 is a 5,100-square foot mixed construction building located at 1035 East Grant Line Road in the City, and constructed in 2014.

(iv) *Fire Station 96*. Fire Station 96 is a 5,100-square foot mixed construction building located at 1800 West Grant Line Road in the City, and constructed in 2014

The City has determined that the fair rental value of the Leased Property is commensurate with the annual Lease Payments with respect thereto.

Modification of Leased Property

Under the Lease Agreement, the City has the right, at its own expense, to make additions, modifications and improvements to the Leased Property or any portion thereof. All additions, modifications and improvements to the Leased Property will thereafter comprise part of the Leased Property and become subject to the provisions of the Lease Agreement.

Such additions, modifications and improvements may not in any way damage the Leased Property, or cause the Leased Property to be used for purposes other than those authorized under the provisions of state and federal law; and the Leased Property, upon completion of any additions, modifications and improvements made thereto under this provision of the Lease

Agreement, must be of a value which is not substantially less than the value thereof immediately prior to the making of such additions, modifications and improvements.

The City will not permit any mechanic's or other lien to be established or remain against the Leased Property for labor or materials furnished in connection with any remodeling, additions, modifications, improvements, repairs, renewals or replacements made by the City under this provision of the Lease Agreement; except that if any such lien is established and the City first notifies or causes to be notified the Authority of the City's intention to do so, the City may in good faith contest any lien filed or established against the Leased Property, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom and will provide the Authority with full security against any loss or forfeiture which might arise from the nonpayment of any such item, in form satisfactory to the Authority. The Authority will cooperate fully in any such contest, upon the request and at the expense of the City.

Substitution

Under the Lease Agreement, the City has the option at any time and from time to time, to substitute other real property (the "**Substitute Property**") for the Leased Property or any portion thereof (the "**Former Property**"), upon satisfaction of all of the requirements set forth in the Lease Agreement, which includes (among others) the following:

- The City has filed with the Authority and the Trustee, and caused to be recorded in the office of the County Recorder, sufficient memorialization of an amendment of the Lease Agreement that adds the legal description of the Substitute Property and deletes therefrom the legal description of the Former Property, and has filed and caused to be recorded corresponding amendments to the Site Lease and Assignment Agreement.

- The City has obtained a CLTA policy of title insurance insuring the City's leasehold estate under the Lease Agreement in the Substitute Property, subject only to Permitted Encumbrances (as defined in the Lease Agreement), in an amount at least equal to the estimated value thereof.

- The City has certified in writing to the Authority and the Trustee that the Substitute Property serves the municipal purposes of the City and constitutes property which the City is permitted to lease under the laws of the State of California, and has been determined to be essential to the proper, efficient and economic operation of the City and to serve an essential governmental function of the City.

- The City has filed with the Authority and the Trustee a written certificate of the City or other written evidencing stating that the useful life of the Substitute Property at least extends to November 1, 20___, that the estimated value of the Leased Property, after substitution of the Substitute Property and release of the Former Property, is at least equal to the aggregate outstanding principal amount of the Bonds, and the fair rental value of the Leased Property, after substitution of the Substitute Property and release of the Former Property, is at least equal to the Lease Payments thereafter coming due and payable under the Lease Agreement.

See "APPENDIX B – SUMMARY OF PRINCIPAL LEGAL DOCUMENTS."

Upon the satisfaction of all such conditions precedent, the Term of the Lease Agreement will thereupon end as to the Former Property and commence as to the Substitute Property, and all references to the Former Property will apply with full force and effect to the Substitute Property. The City is not entitled to any reduction, diminution, extension or other modification of the Lease Payments whatsoever as a result of any substitution of property under this provision of the Lease Agreement.

Release of Leased Property

Under the Lease Agreement, the City has the option at any time and from time to time to release any portion of the Leased Property from the Lease Agreement (the "**Released Property**") provided that the City has satisfied all of the requirements under the Lease Agreement that are conditions precedent to such release, which include (among others) the following:

- The City has filed with the Authority and the Trustee, and caused to be recorded in the office of the County Recorder, sufficient memorialization of an amendment of the Lease Agreement, Site Lease and Assignment Agreement which removes the Released Property from the Lease Agreement, Site Lease and Assignment Agreement.

- The City has certified in writing to the Authority and the Trustee that the value of the property which remains subject to the Lease Agreement following such release is at least equal to the aggregate outstanding principal amount of the Bonds, and the fair rental value of the property which remains subject to the Lease Agreement following such release is at least equal to the Lease Payments thereafter coming due and payable thereunder.

See "APPENDIX B – SUMMARY OF PRINCIPAL LEGAL DOCUMENTS."

Upon delivery by the City of a Completion Certificate for the Project to the Trustee, the City is entitled to release all of the assets then constituting the Leased Property from the Lease Agreement and the Site Lease except the real property and improvements constituting El Pescadero Park (including the multi-generational recreation center).

Upon the satisfaction of all such conditions precedent, the Term of the Lease Agreement will thereupon end as to the Released Property. The City is not entitled to any reduction, diminution, extension or other modification of the Lease Payments whatsoever as a result of such release.

Addition of Property

Under the Lease Agreement, the City may, at any time it deems it necessary or advisable, amend the Lease Agreement, and enter into any necessary or advisable site or ground lease, to add additional property to the property originally leased under the Lease Agreement.

If the addition to the Leased Property (the "**Addition**") is being done in connection with the issuance of Additional Bonds, the following requirements will apply, among others:

- The City certifies in writing to the Authority and the Trustee that

(i) the Addition serves the purposes of the City and constitutes property which the City is permitted to lease under the laws of the State of California, and has been determined to be essential to the proper, efficient and economic operation of the City and to serve an essential governmental function of the City,

(ii) the useful life of the Addition at least extends to November 1, 20__ or such later date specified in the Lease Agreement,

(iii) the estimated value of the Leased Property (including the Addition) is at least equal to the aggregate outstanding principal amount of the Bonds, and

(iv) the fair rental value of the Leased Property (including the Addition) is at least equal to the Lease Payments thereafter coming due and payable under the Lease Agreement.

For the purposes of the certification described in clause (iv) above, the City may, if necessary to make such certification, assume completion of construction of the Addition if the Addition is being constructed with proceeds of the Additional Bonds and the Addition is not yet complete as long as capitalized interest has been deposited in accordance with the Indenture.

- The City delivers to the Authority and the Trustee an Opinion of Bond Counsel to the effect that the amendment to the Lease Agreement has been duly authorized, executed and delivered and the Lease Agreement as so amended represents a valid and binding obligation of the City and the Authority and that the Addition will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes.

- The City causes to be recorded in the Office of the County Recorder sufficient memorialization of an amendment of the Lease Agreement that adds the legal description of the Addition, and has filed and caused to be recorded corresponding amendments to the Site Lease and Assignment Agreement.

- The City delivers to the Authority and the Trustee a CLTA standard form policy of title insurance in substantially the same form as delivered in connection with the issuance and delivery of the Bonds in at least the amount of the aggregate principal amount of outstanding Bonds at the time of the Addition insuring the City's leasehold interest in the Addition to the Leased Property under the Lease Agreement, together with an endorsement thereto making such policy payable to the Trustee for the benefit of the Owners, and also together with a certificate of the City to the effect that the exceptions, if any, contained in such policy do not interfere with the beneficial use and occupancy of the Leased Property by the City.

See "APPENDIX B – SUMMARY OF PRINCIPAL LEGAL DOCUMENTS."

Upon the satisfaction of all such conditions precedent, the Term of the Lease Agreement will thereupon commence as to the Addition, and all references to the Leased Property will apply with full force and effect to the Addition.

THE 2024 BONDS

This section provides summaries of the 2024 Bonds and certain provisions of the Indenture. See APPENDIX B for a more complete summary of the Indenture. Capitalized terms used but not defined in this section have the meanings given in APPENDIX B.

Authority for Issuance

The 2024 Bonds are being issued under the Law, the Authority Resolution (which was adopted by the Board of the Authority on January 16, 2024), the City Resolution (which was adopted by the City Council on January 16, 2024), and the Indenture. Under the Authority Resolution and the City Resolution, the 2024 Bonds may be issued in a principal amount not to exceed $60,000,000.

General Provisions

Bond Terms. The 2024 Bonds will be dated their date of delivery and issued in fully registered form without coupons in integral multiples of $5,000, so long as no 2024 Bond has more than one maturity date.

The 2024 Bonds will mature on November 1 in each of the years and in the amounts, and bear interest at the rates, set forth on the inside cover page of this Official Statement.

Calculation of Interest. Interest on the 2024 Bonds will be payable on May 1 and November 1 in each year, commencing November 1, 2024 (each an "**Interest Payment Date**").

Interest on the 2024 Bonds is payable from the Interest Payment Date next preceding the date of authentication thereof unless:

(a) a 2024 Bond is authenticated on or before an Interest Payment Date and after the close of business on the preceding Record Date, in which event it will bear interest from such Interest Payment Date,

(b) a 2024 Bond is authenticated on or before the first Record Date, in which event interest thereon will be payable from the Closing Date, or

(c) interest on any 2024 Bond is in default as of the date of authentication thereof, in which event interest thereon will be payable from the date to which interest has been paid in full, payable on each Interest Payment Date.

Interest with respect to the 2024 Bonds will be computed on the basis of a 360-day year composed of 12 months of 30 days each.

Record Date. Under the Indenture, "Record Date" means, with respect to any Interest Payment Date, the 15th calendar day of the month preceding such Interest Payment Date, whether or not such day is a Business Day.

Payments of Principal and Interest. Interest is payable on each Interest Payment Date to the persons in whose names the ownership of the 2024 Bonds is registered on the Registration Books at the close of business on the immediately preceding Record Date, except as provided below. Interest on any 2024 Bond which is not punctually paid or duly provided for on any Interest

Payment Date is payable to the person in whose name the ownership of such 2024 Bond is registered on the Registration Books at the close of business on a special record date for the payment of such defaulted interest to be fixed by the Trustee, notice of which is given to such Owner by first-class mail not less than 10 days prior to such special record date.

The Trustee will pay interest on the 2024 Bonds by check of the Trustee mailed by first class mail, postage prepaid, on each Interest Payment Date to the Owners of the 2024 Bonds at their respective addresses shown on the Registration Books as of the close of business on the preceding Record Date. At the written request of the Owner of 2024 Bonds in an aggregate principal amount of at least $1,000,000, which written request is on file with the Trustee as of any Record Date, the Trustee will pay interest on such 2024 Bonds on each succeeding Interest Payment Date by wire transfer in immediately available funds to such account of a financial institution within the United States of America as specified in such written request, which will remain in effect until rescinded in writing by the Owner.

The Trustee will pay principal of the 2024 Bonds (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) in lawful money of the United States of America by check of the Trustee upon presentation and surrender thereof at the Office of the Trustee.

While the 2024 Bonds are subject to the book-entry system, the principal, interest and any redemption premium with respect to the 2024 Bonds will be paid by the Trustee to DTC for subsequent disbursement to beneficial owners of the 2024 Bonds. See "– Book-Entry Only System" below.

Redemption*

Optional Redemption. The 2024 Bonds maturing on or before November 1, 20__, are not subject to optional redemption prior to their stated maturity. The 2024 Bonds maturing on or after November 1, 20__, are subject to redemption, as a whole or in part at the election of the Authority among maturities on such basis as designated by the Authority and by lot within a maturity, at the option of the Authority, on November 1, 20__, and on any date thereafter, at a redemption price equal to 100% of the principal amount of 2024 Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium.

Special Mandatory Redemption From Insurance or Condemnation Proceeds. The 2024 Bonds are subject to redemption as a whole, or in part on a pro rata basis among maturities of the Bonds, on any date, from any Net Proceeds required to be used for such purpose as provided in the Indenture, at a redemption price equal to 100% of the principal amount thereof plus interest accrued thereon to the date fixed for redemption, without premium.

Mandatory Sinking Fund Redemption. The Term Bonds are subject to mandatory redemption in part by lot, from sinking fund payments made under the Indenture, at a redemption price equal to 100% of the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts and on November 1 in the respective years as set forth in the following tables.

* *Preliminary; subject to change.*

Mandatory Sinking Fund Redemption of
Term Bonds Maturing November 1, 20__

Sinking Fund Redemption Date (November 1)	Principal Amount To Be Redeemed

Mandatory Sinking Fund Redemption of
Term Bonds Maturing November 1, 20__

Sinking Fund Redemption Date (November 1)	Principal Amount To Be Redeemed

However, if some but not all of the Term Bonds have been redeemed through an optional redemption, the total amount of all future sinking fund payments will be reduced by the aggregate principal amount of the Term Bonds so redeemed, to be allocated among such sinking fund payments on a pro rata basis as determined by the Authority, which shall notify the Trustee in writing of such determination.

Selection of Bonds for Redemption. Whenever provision is made in the Indenture for the redemption of less than all of the 2024 Bonds of a single maturity, the Trustee will select the 2024 Bonds of that maturity to be redeemed by lot in any manner which the Trustee in its sole discretion deems appropriate. For purposes of such selection, the Trustee will treat each 2024 Bond as consisting of separate $5,000 portions and each such portion will be subject to redemption as if such portion were a separate 2024 Bond.

Whenever less than all of the outstanding 2024 Bonds of more than one series are called for redemption at any one time, the Trustee will select the outstanding 2024 Bonds or portions thereof to be redeemed as directed by the Authority.

Notice of Redemption. The Trustee will mail notice of redemption of the 2024 Bonds by first class mail, postage prepaid, not less than 20 nor more than 60 days before any redemption date, to the respective Owners of any 2024 Bonds designated for redemption at their addresses appearing on the Registration Books and to one or more Securities Depositories and to the Municipal Securities Rulemaking Board.

Neither the failure to receive any notice nor any defect therein will affect the sufficiency of the proceedings for such redemption or the cessation of accrual of interest from and after the redemption date.

Conditional Redemption Notices; Rescission of Redemption. Redemption notices may be conditional. The Authority has the right to rescind any notice of optional redemption of the 2024 Bonds by written notice to the Trustee 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 2024 Bonds then called for redemption, and such cancellation will not constitute an Event of Default under the Indenture.

The Authority and the Trustee have no liability to the Owners of the 2024 Bonds or any other party related to or arising from such rescission of redemption. The Trustee will mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent under the Indenture.

Partial Redemption of 2024 Bonds. Upon surrender of any 2024 Bonds redeemed in part only, the Authority will execute and the Trustee will authenticate and deliver to the Owner thereof, at the expense of the Authority, a new 2024 Bond or 2024 Bonds of authorized denominations equal in aggregate principal amount to the unredeemed portion of the 2024 Bonds surrendered.

Effect of Redemption. If notice of redemption has been duly given as provided in the Indenture, and moneys for payment of the redemption price of, together with interest accrued to the date fixed for redemption on, including any applicable premium, the 2024 Bonds (or portions thereof) so called for redemption being held by the Trustee, on the redemption date designated in such notice, the 2024 Bonds (or portions thereof) so called for redemption will become due and payable, interest on the 2024 Bonds so called for redemption will cease to accrue, said 2024 Bonds (or portions thereof) will cease to be entitled to any benefit or security under the Indenture, and the Owners of said 2024 Bonds will have no rights in respect thereof except to receive payment of the redemption price thereof.

Book-Entry Only System

The 2024 Bonds will be issued as fully registered bonds in book-entry only form, registered in the name of Cede & Co. as nominee of DTC, and will be available to ultimate purchasers in the denomination of $5,000 or any integral multiple of $5,000, under the book-entry system maintained by DTC. While the 2024 Bonds are subject to the book-entry system, the principal, interest and any redemption premium with respect to a 2024 Bond will be paid by the Trustee to DTC, which in turn is obligated to remit such payment to its DTC Participants for subsequent disbursement to Beneficial Owners of the 2024 Bonds. Purchasers of the 2024 Bonds will not receive certificates representing their interests therein, which will be held at DTC.

See "APPENDIX F – DTC AND THE BOOK-ENTRY ONLY SYSTEM" for further information regarding DTC and the book-entry system.

Transfer, Registration and Exchange

The following provisions regarding the exchange and transfer of the 2024 Bonds apply only during any period in which the 2024 Bonds are not subject to DTC's book-entry system. While the 2024 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 F – DTC AND THE BOOK-ENTRY ONLY SYSTEM."

Bond Register. The Trustee will keep or cause to be kept, at the Office of the Trustee, sufficient records for the registration and transfer of ownership of the 2024 Bonds, which will upon reasonable notice as agreed to by the Trustee, be open to inspection during regular business hours by the Authority; and, upon presentation for such purpose, the Trustee will, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on such records, the ownership of the 2024 Bonds as provided in the Indenture.

Transfer of Bonds. Any 2024 Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the person in whose name it is registered, in person or by a duly authorized attorney of such person, upon surrender of such 2024 Bond to the Trustee at its Office for cancellation, accompanied by delivery of a written instrument of transfer in a form acceptable to the Trustee, duly executed. The Trustee will require the Owner requesting such transfer to pay any tax or other governmental charge required to be paid with respect to such transfer.

Whenever any 2024 Bond is or 2024 Bonds are surrendered for transfer, the Authority will execute and the Trustee will authenticate and deliver to the transferee a new 2024 Bond or 2024 Bonds of like series, interest rate, maturity and aggregate principal amount. The Authority will pay the cost of printing 2024 Bonds and any services rendered or expenses incurred by the Trustee in connection with any transfer of 2024 Bonds.

Prior to any transfer of the 2024 Bonds outside the book-entry system (including, but not limited to, the initial transfer outside the book-entry system) the transferor will provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045, as amended. The Trustee will conclusively rely on the information provided to it and have no responsibility to verify or ensure the accuracy of such information.

Exchange of Bonds. The 2024 Bonds may be exchanged at the Office of the Trustee for a like aggregate principal amount of 2024 Bonds of other authorized denominations and of the same series, interest rate and maturity. The Trustee will require the Owner requesting such exchange to pay any tax or other governmental charge required to be paid with respect to such exchange. The Authority will pay the cost of printing 2024 Bonds and any services rendered or expenses incurred by the Trustee in connection with any exchange of 2024 Bonds.

Limitations on Transfer and Exchange. The Trustee may refuse to transfer or exchange, under these provisions of the Indenture, any 2024 Bonds selected by the Trustee for redemption under the Indenture, or any 2024 Bonds during the period established by the Trustee for the selection of 2024 Bonds for redemption.

DEBT SERVICE SCHEDULE

The table below shows scheduled Lease Payments and annual debt service payments on the 2024 Bonds.

Year Ending November 1	Lease Payments	2024 Bonds Principal	2024 Bonds Interest	Total Debt Service
Total:				

SECURITY FOR THE 2024 BONDS

The principal of and interest on the 2024 Bonds are not a debt of the Authority or the City, nor a legal or equitable pledge, charge, lien or encumbrance, upon any of their respective property, or upon any of their income, receipts, or revenues except the Revenues and other amounts pledged under the Indenture.

This section provides summaries of the security for the 2024 Bonds and certain provisions of the Indenture, the Lease Agreement and the Site Lease. See "APPENDIX B – SUMMARY OF PRINCIPAL LEGAL DOCUMENTS" for a more complete summary of the Indenture, the Lease Agreement and the Site Lease. Capitalized terms used but not defined in this section have the meanings given in APPENDIX B.

Revenues; Pledge of Revenues

Pledge of Revenues and Other Amounts. Subject only to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein, all of the Revenues and all amounts (including proceeds of the sale of the 2024 Bonds) held in any fund or account established under the Indenture are pledged to secure the payment of the principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) of and interest and premium (if any) on the Bonds in accordance with their terms and the provisions of the Indenture.

This pledge constitutes a lien on and security interest in the Revenues and such amounts and will attach, be perfected and be valid and binding from and after the Closing Date, without the need for any physical delivery thereof or further act.

Definition of Revenues. "**Revenues**" are defined in the Indenture as follows:

(a) all amounts received by the Authority or the Trustee under or with respect to the Lease Agreement, including, without limiting the generality of the foregoing, all of the Lease Payments (including both timely and delinquent payments, any late charges, and whether paid from any source), but excluding (i) any amounts described in the provisions of the Lease Agreement relating to permitted amendments that provide for additional rental to be pledged or assigned for the payment of bonds issued to finance or refinance projects for which the City is authorized to expend its funds, and (ii) any Additional Rental Payments (consisting of certain administrative costs due to the Authority and the Trustee under the Lease Agreement), and

(b) all interest, profits or other income derived from the investment of amounts in any fund or account established under the Indenture.

Assignment to Trustee. Under the Assignment Agreement, the Authority has transferred to the Trustee all of the rights of the Authority in the Lease Agreement (other than the rights of the Authority under the provisions of the Lease Agreement regarding Additional Rental Payments, advances, release and indemnification covenants, and agreement to pay attorneys' fees).

The Trustee is entitled to collect and receive all of the Revenues, and any Revenues collected or received by the Authority will be deemed to be held, and to have been collected or received, by the Authority as the agent of the Trustee and will forthwith be paid by the Authority to the Trustee.

The Trustee is also entitled to and required to, subject to the provisions of the Indenture regarding rights of the Trustee, take all steps, actions and proceedings which the Trustee determines to be reasonably necessary in its judgment to enforce, either jointly with the Authority or separately, all of the rights of the Authority and all of the obligations of the City under the Lease Agreement.

Allocation of Revenues by Trustee; Application of Funds

Deposit of Revenues in Bond Fund. All Revenues will be promptly deposited by the Trustee upon receipt thereof in a special fund designated as the "Bond Fund" which the Trustee will establish, maintain and hold in trust; except that all moneys received by the Trustee and required under the Indenture or under the Lease Agreement to be deposited in the Redemption Fund or the Insurance and Condemnation Fund will be promptly deposited in such funds.

All Revenues deposited with the Trustee will be held, disbursed, allocated and applied by the Trustee only as provided in the Indenture. Any surplus remaining in the Bond Fund, after payment in full of the principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) of and interest on the Bonds or provision therefore under the Indenture, and any applicable fees and expenses to the Trustee, will be withdrawn by the Trustee and remitted to the City.

Allocation of Revenues. On or before each Interest Payment Date, the Trustee will transfer from the Bond Fund and deposit into the following respective accounts (each of which the Trustee will establish and maintain within the Bond Fund), the following amounts in the following order of priority:

(a) Deposit to Interest Account. The Trustee will deposit in the Interest Account an amount required to cause the aggregate amount on deposit in the Interest Account to be at least equal to the amount of interest becoming due and payable on such Interest Payment Date on all Bonds then Outstanding.

(b) Deposit to Principal Account. The Trustee will deposit in the Principal Account an amount required to cause the aggregate amount on deposit in the Principal Account to equal the principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) amount of the Bonds coming due and payable on such Interest Payment Date.

Lease Payments; Covenant to Appropriate

Obligation to Pay. Under the Lease Agreement, subject to the provisions of the Lease Agreement regarding abatement and prepayment, the City agrees to pay to the Authority, its successors and assigns, the Lease Payments in the amounts specified in the Lease Agreement, to be due and payable in immediately available funds on the Interest Payment Date immediately following each Lease Payment Date specified in the Lease Agreement (as it may be amended in connection with the issuance of Additional Bonds), and to be deposited by the City with the Trustee on the Lease Payment Dates specified in the Lease Agreement (as it may be amended in connection with the issuance of Additional Bonds).

Any amount held in the Bond Fund, the Interest Account and the Principal Account on any Lease Payment Date (other than amounts resulting from the prepayment of the Lease Payments

in part but not in whole under the Lease Agreement, and amounts required for payment of past due principal or interest on any Bonds not presented for payment) will be credited towards the Lease Payment then required to be paid under the Lease Agreement. The City is not required to deposit any Lease Payment with the Trustee on any Lease Payment Date if the amounts then held in the Bond Fund, the Interest Account and the Principal Account are at least equal to the Lease Payment then required to be deposited with the Trustee under the Lease Agreement.

The Lease Payments payable in any Rental Period are for the use of the Leased Property during that Rental Period.

Fair Rental Value. The aggregate amount of the Lease Payments and Additional Rental Payments coming due and payable during each Rental Period constitute the total rental for the Leased Property for such Rental Period, and are payable by the City in each Rental Period for and in consideration of the right of the use and occupancy of, and the continued quiet use and enjoyment of, the Leased Property during each Rental Period.

The City and the Authority have agreed and determined that the total Lease Payments represent the fair rental value of the Leased Property. In making that determination, consideration has been given to the estimated value of the Leased Property, other obligations of the City and the Authority under the Lease Agreement, the uses and purposes which may be served by the Leased Property and the benefits therefrom which will accrue to the City and the general public.

Source of Payments; Covenant to Budget and Appropriate. Under the Lease Agreement, the Lease Payments are payable from any source of available funds of the City, subject to the provisions of the Lease Agreement regarding abatement. See " – Abatement" below.

The City covenants in the Lease Agreement to take all actions required to include the Lease Payments in each of its budgets during the Term of the Lease Agreement and to make the necessary appropriations for all Lease Payments and Additional Rental Payments. This covenant of the City constitutes a duty imposed by law and each and every public official of the City is required to take all actions required by law in the performance of the official duty of such officials to enable the City to carry out and perform the covenants and agreements agreed to be carried out and performed by the City under the Lease Agreement.

Limited Obligation

THE OBLIGATION OF THE CITY TO MAKE THE LEASE PAYMENTS DOES NOT CONSTITUTE A DEBT OF THE CITY, THE AUTHORITY OR THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMIT OR RESTRICTION, AND DOES NOT CONSTITUTE AN OBLIGATION FOR WHICH THE CITY IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE CITY HAS LEVIED OR PLEDGED ANY FORM OF TAXATION.

Abatement

Termination or Abatement Due to Eminent Domain. Under the Lease Agreement, if the Leased Property is taken permanently under the power of eminent domain or sold to a government threatening to exercise the power of eminent domain, the Term of the Lease Agreement thereupon ceases as of the day possession is taken. If less than all of the Leased

Property is taken permanently, or if the Leased Property is taken temporarily, under the power of eminent domain, then:

(a) the Lease Agreement will continue in full force and effect with respect thereto and does not terminate by virtue of such taking, and the City and Authority waive the benefit of any law to the contrary; and

(b) the Lease Payments are subject to abatement in an amount determined by the City such that the resulting Lease Payments represent fair consideration for the use and occupancy of the remaining usable portions of the Leased Property.

Abatement Due to Damage or Destruction. Under the Lease Agreement, the Lease Payments are subject to abatement during any period in which by reason of damage or destruction (other than by eminent domain as described above) there is substantial interference with the use and occupancy by the City of the Leased Property or any portion thereof.

The Lease Payments are subject to abatement in an amount determined by the City such that the resulting Lease Payments represent fair consideration for the use and occupancy of the remaining usable portions of the Leased Property not damaged or destroyed. Such abatement will continue for the period commencing with such damage or destruction and ending with the substantial completion of the work of repair or reconstruction.

In the event of any such damage or destruction, the Lease Agreement continues in full force and effect and the City waives any right to terminate the Lease Agreement by virtue of any such damage and destruction.

Notwithstanding the foregoing, there will be no abatement of Lease Payments under the Lease Agreement to the extent that the proceeds of hazard insurance or rental interruption insurance are available to pay Lease Payments that would otherwise be abated under the Lease Agreement, it being declared that such proceeds and amounts constitute a special fund for the payment of the Lease Payments.

Additional Bonds

Under the Indenture, the Authority may, by Supplemental Indenture, establish one or more other issues of Additional Bonds secured by a pledge of and payable from Revenues on a parity with the 2024 Bonds, and may issue and deliver such Additional Bonds in such principal amount as shall be determined by the Authority, but only upon compliance by the Authority with the provisions of the Indenture, and subject to the following specific conditions which are conditions precedent to the issuance of such Additional Bonds:

(a) Such Additional Bonds must be authorized to finance additional capital improvements for the City, or to refund bonds previously issued to finance such capital improvements, and the issuance thereof must be determined and declared by the Authority, in a Supplemental Indenture, to be necessary for that purpose.

(b) The Authority and the City must be in compliance with all covenants and undertakings set forth in the Indenture and in the Lease Agreement and the Site Lease.

(c) The aggregate principal amount of Bonds issued and at any time Outstanding under the Indenture may not exceed any limit imposed by law, by the Indenture or by any Supplemental Indenture.

(d) Such Additional Bonds must be equally and ratably secured by the Revenues with the 2024 Bonds authorized under the Indenture.

(e) The Authority must enter into an amendment to the Lease Agreement, in and by which the City obligates itself in the manner provided in the Lease Agreement to make Lease Payments for the lease of the Leased Property at the times and in the amounts sufficient to provide for the payment of the principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) of and interest on such Additional Bonds as such principal (including the principal amount of any Term Bonds that is subject to mandatory sinking fund redemption) and interest become due and to make all other payments in the manner provided in the Lease Agreement, and the City must certify in writing that such Lease Payments, as amended, in any Rental Period will not exceed the fair rental value of the Leased Property.

(f) If necessary to ensure that the Lease Payments payable after the issuance of Additional Bonds does not exceed the fair rental value of the Leased Property in any Rental Period, the Authority and the City must amend the Lease Agreement pursuant to the terms thereof to add additional property to the Leased Property.

(g) If the Additional Bonds are being issued to finance the construction of a to-be-built project, and such project is to be part of the Leased Property prior to its completion, the Supplemental Indenture authorizing the issuance of such Additional Bonds must require the deposit into a separate account (the "**Capitalized Interest Account**") in the Interest Account, or a subaccount therein, an amount sufficient to pay interest on such Additional Bonds through a date which is not less than six months after the anticipated completion date of the project, but only if such Additional Bonds are issued prior to the substantial completion of such project and only if the City is unable to make a finding that the fair rental value of the Leased Property prior to the completion of the project is equal to or greater than the aggregate amount of the Lease Payments and Additional Rental Payments coming due and payable during each Rental Period.

No Reserve Fund

No debt service reserve fund has been established with respect to the 2024 Bonds. See "BOND OWNERS' RISKS – No Debt Service Reserve Fund."

Property Insurance

Liability and Property Damage Insurance. Under the Lease Agreement, the City is required to maintain or cause to be maintained throughout the Term of the Lease Agreement, but only if and to the extent available from reputable insurers at reasonable cost in the reasonable opinion of the City, a standard commercial general liability insurance policy or policies in protection of the Authority, the City, and their respective members, officers, agents, employees and assigns. Said policy or policies must provide for indemnification of said parties against direct or contingent loss or liability for damages for bodily and personal injury, death or property damage occasioned by reason of the operation of the Leased Property.

Such policy or policies must provide coverage in such liability limits and be subject to such deductibles as the City deems adequate and prudent. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the City, and may be maintained in whole or in part in the form of self-insurance by the City, subject to the provisions of the Lease Agreement, or in the form of the participation by the City in a joint powers agency or other program providing pooled insurance.

The proceeds of such liability insurance must be applied toward extinguishment or satisfaction of the liability with respect to which paid.

Property Insurance. Under the Lease Agreement, the City is required to procure and maintain, or cause to be procured and maintained, throughout the Term of the Lease Agreement, property insurance against loss or damage to all buildings situated on the Leased Property, in an amount at least equal to the lesser of (a) 100% of the replacement value of the insured buildings, or (b) 100% of the aggregate principal amount of the Outstanding Bonds.

Such insurance must, as nearly as practicable, cover loss or damage by explosion, windstorm, riot, aircraft, vehicle damage, smoke and such other hazards as are normally covered by such insurance. Such insurance may be subject to such deductibles as the City deems adequate and prudent. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the City, and may be maintained in whole or in part in the form of the participation by the City in a joint powers agency or other program providing pooled insurance; provided that such insurance may not be maintained by the City in the form of self-insurance. The Net Proceeds of such insurance must be applied as provided in the Lease Agreement and described below.

Rental Interruption Insurance. Under the Lease Agreement, the City is required to procure and maintain, or cause to be procured and maintained, throughout the Term of the Lease Agreement, rental interruption or use and occupancy insurance to cover loss, total or partial, of the use of any portion of the Leased Property constituting buildings or other improvements as a result of any of the hazards covered in the property insurance described above, in an amount at least equal to the maximum such Lease Payments coming due and payable during any consecutive two Fiscal Years.

Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the City, and may be maintained in whole or in part in the form of the participation by the City in a joint powers agency or other program providing pooled insurance; provided that such insurance may not be maintained by the City in the form of self-insurance.

The Net Proceeds of such insurance, if any, must be paid to the Trustee and deposited in the Bond Fund, to be applied as a credit towards the payment of the Lease Payments allocable to the insured improvements as the same become due and payable.

Application of Net Proceeds. The Trustee, as assignee of the Authority under the Assignment Agreement, has the right to receive all Net Proceeds. As provided in the Indenture, the Trustee will deposit all Net Proceeds in the Insurance and Condemnation Fund to be applied to the redemption of Bonds as set forth in the Indenture.

Remedies on Default

Under the Lease Agreement, upon the occurrence and continuance of any Event of Default, the Authority may exercise the remedies set forth in the Lease Agreement, which include (a) enforcement of the Lease Payments without termination of the Lease Agreement, (b) termination of the Lease Agreement and re-leasing the Leased Property, and (c) taking whatever action at law or in equity may appear necessary or desirable to collect the amounts then due and thereafter to become due under the Lease Agreement or to enforce any other of its rights under the Lease Agreement. Under the Assignment Agreement, such remedies will be exercised by the Trustee and the Bond Owners as provided in the Indenture. Neither the Authority nor the Trustee may accelerate the Lease Payments or otherwise declare any Lease Payments not then in default to be immediately due and payable. See APPENDIX B – Summary of Principal Legal Documents.

CITY FINANCIAL INFORMATION

General

The City is located on the western edge of the Central Valley in San Joaquin County (the **"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.

The City was founded in 1878 as a railroad center, incorporated as a city in 1910 and is currently composed of approximately 21 square miles. During the 1980s, the City experienced a period of major growth influenced by the East Bay area of the San Francisco Bay region with its high cost of housing. Population in the City has increased from 18,429 in 1980 to 95,615 in 2023.

The City operates under a Council-Manager form of government. Policymaking and legislative authority are vested in the City Council, which consists of a mayor and four council members. Council members are elected to four-year staggered terms, with two council members elected every two years. The mayor is also elected every two years. The City Council appoints the City Manager and the City Attorney.

Certain demographic information concerning the City is included in APPENDIX A.

Management

Midori Lichtwardt, City Manager. Midori Lichtwardt was appointed as the City's City Manager in December, 2023, after serving as interim City Manager since May, 2023. Ms. Lichtwardt began her career in local government at the City's Public Works Department in 1998. She then transitioned to the Human Resources Department where she served in multiple roles, including as Director of the Department beginning in 2016. In May, 2018, Midori became an Interim Assistant City Manager and in November, 2018 was appointed as one of two Assistant City Managers for the City. In such role, she oversaw Business Services, which includes Finance, Human Resources, Economic Development, Information Technology, City Clerk's Office, the Grand Theatre and Public Relations/Communications. She holds a Bachelor's degree in Speech Communication from San Jose State University and is a member of the California Public Employee Labor Relations Association, the International Public Management Association for Human Resources and the International City/County Management Association (ICMA).

Ray McCray, City Treasurer. Ray McCray is a graduate of local schools in Tracy, Delta College in Stockton, Whittier College in Southern California and has completed certificate courses at Wharton Business School, Kellogg Business School and Hass Business School.

Ray McCray was appointed by the City Council to serve the remaining term of the City Treasurer in 1995 and continues in that role as their elected Treasurer. He is a member of the California Municipal Treasurers Association. Ray was appointed by the San Joaquin County Board of Supervisors to serve on the County Employees' Retirement Board, has served as its Chairman and was elected President of the State Association of County Retirement Systems (SACRS). Mr. McCray is a Director of the Merchant Services Credit Bureau, a founding board member of the Community Foundation of San Joaquin, and San Joaquin County Schools' Foundation Board. Mr. McCray has a Series 6 securities license and life and disability license.

Sara Cowell, Finance Director. Sara Cowell was appointed as the City's Director of Finance in November 2022, after previously serving as the City's Accounting Manager. Ms.

Cowell began her career in municipal finance in 2004, with the City of Modesto, where she served in multiple roles within the Finance department including Payroll, Accounting, and budget. Sara holds a bachelor's degree in business administration from the University of Phoenix and is a member of California Society of Municipal Finance Officers, Government Finance Officers of America, and serves with the Fiscal Officers for the League of California Cities.

Budget Process

The Tracy Municipal Code requires that the City Council adopt a budget by no later than the close of the Fiscal Year (June 30). This annual budget serves as the foundation for the City's financial planning and control. The budget is prepared by fund, by department, and by program. The Finance Department maintains budgetary controls to ensure compliance with legal provisions embodied in the appropriated budget approved by the City Council. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is the department level and within a single fund. The City Manager may authorize transfers between administrative control accounts within a department or within a capital project. Supplemental appropriations during the year must be approved by the City Council. Any transfer of appropriations between departments in the operating budget or between capital projects in the capital budget also requires City Council approval. For further information concerning the City's budgetary procedures, see the City's audited financial statements attached hereto as APPENDIX C.

The City's Fiscal Year runs from July 1 to June 30. The proposed Fiscal Year 2023-24 budget was presented to the Finance Committee of the City Council on April 19, 2023. A public hearing was held on June 6, 2023, where the City Council reviewed and considered the proposed operating budget prepared by City staff. The public hearing provided the opportunity for City Council to discuss the budget and to modify the proposed budget to reflect the Council's priorities. The workshop also permitted public comment and participation in the budget process. Copies of the budget are available for public viewing at the City's Public Library and at City Hall. The City Council adopted the Fiscal Year 2023-24 budget on June 6, 2023.

In response to a set of strategic priorities, goals and objectives were adopted to carry out the vision of the City Council, the City prepares a five-year fiscal plan annually as a tool for the Council to meet these strategic priorities. 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. The City has developed and maintains several tools to provide analytic measurements of future fiscal impacts. First, the five-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 obligation and the other focuses on retiree medical costs obligations. Second, 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.

This 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-budget process.

The City's Fiscal Year 2024-25 Operating and Capital Budget is currently scheduled for consideration for adoption on June 4, 2024. A preliminary budget and five-year forecast was presented to the City Council on March 5, 2024. The General Fund Uncommitted Reserves are projected to increase an average of approximately $2 million per year for the next five fiscal years. This is due to growth in sales tax revenues generated by commercial growth in the City. The City Council has committed to using these reserves to pre-funding employee retirement benefits and establishing a Capital Maintenance and Replacement fund to establish future funding for ongoing infrastructure needs. In November, 2022, residents of the City approved Measure B, a modernization of the City's 39-year old Business License Tax. The tax went into effect on July 1, 2023 and is expected to allow for greater equity among businesses in the City while also generating Business License Tax revenues of approximately $6-8 million in Fiscal Year 2023-24, which is an increase from the adopted Fiscal Year 2023-24 budget estimate of approximately $4.5 million in total Business License Tax.

General Fund Budgets

General. The following table provides the adopted General Fund budget comparisons for Fiscal Year 2022-23, plus the amended General Fund budget for Fiscal Year 2023-24.

Table 1
General Fund
Adopted Budget, Revised Budget and Audited Actuals for Fiscal Year 2022-23
Adopted Budget for Fiscal Year 2023-24

	Original Budget 2022-23	Final Budget 2022-23	Audited Actuals 2022-23	Amended Budget 2023-24
Revenues				
Taxes	$118,410,184	$107,913,896	$107,913,897	$118,649,193
Licenses and permits	4,353,234	5,037,220	5,032,217	4,807,551
Fines and forfeitures	60,974	195,195	195,193	121,616
Investment income (loss)	616,801	(1,338,124)	1,729,339	1,000,000
Intergovernmental	1,652,107	3,808,748	3,808,738	2,144,900
Charges for current services	12,014,530	13,475,933	13,811,311	12,225,055
Special assessments	485,766	494,066	494,066	475,000
Contributions	151,738	-	-	0
Other revenues	327,118	449,120	1,202,563	277,652
Total Revenues	138,072,452	130,036,054	134,187,324	139,700,967
Expenditures				
General Government				
General Government	18,871,232	19,853,064	19,549,418	15,937,242
Finance	934,910	1,825,891	1,825,892	6,275,068
Non-departmental	92,906	-	350,434	3,118,209
Public Safety				
Police	43,086,327	44,928,410	44,811,730	46,707,697
Fire	16,699,993	15,909,279	15,909,273	17,480,173
Public Ways And Facilities				
Development and engineering	-	55,310	55,306	53,913
Public works	5,632,565	6,241,087	6,228,092	6,909,261
Community Dev. (Parks and comm. serv.)	11,208,774	11,044,907	11,045,635	12,915,676
Capital outlay	321,910	1,253,020	1,856,213	44,120
Debt Service [1]	-	-	866,056	-
Total Expenditures	**96,848,617**	**101,110,968**	**102,498,049**	**109,441,359**
Excess Revenues Over (Under) Expenditures	41,223,835	28,925,086	31,689,275	30,259,608
Other Financing Sources				
Inception of lease agreement	-	-	688,227	--
Inception of subscription agreement	-	-	92,086	--
Transfers in	61,800	920,796	920,795	10,000
Transfers out [2]	(41,165,902)	(33,838,573)	(29,838,573)	(29,664,491)
Other Financing Sources Total	(41,104,102)	(32,917,777)	(28,137,465)	(29,654,491)
Net Change to Fund Balance	**$119,733**	**$(3,992,691)**	**$3,551,810**	**$605,117**
Fund Balance				
Beginning of year			$36,876,695	$40,428,505
End of year			$40,428,505	$41,033,622

(1) Amount shown in Fiscal Year 2022-23 represents amortization of subscription-based software. The City expects that such amounts will be reported as part of the General Government line item going forward.

(2) Transfers out primarily represent primarily Measure V capital transfers, airport services, parks, and development services.
Sources: City of Tracy Annual Comprehensive Financial Report for Fiscal Year 2022-23; City of Tracy Adopted Budget for Fiscal Year 2023-24.

Budget Summary

The adopted budget for Fiscal Year 2023-24 (the "**Fiscal Year 2023-24 Budget**") is a balanced budget that includes approximately $108 million of expenditures from the General Fund. Over Fiscal Years 2021-22 and 2022-23, the City saw strong growth in both property and sales tax. As inflation and interest rates rose during Fiscal Year 2022-23, consumer spending and the real estate market both slowed. As a result, the Fiscal year 2023-24 Budget reflects an overall slowing in the growth of the City's General Fund revenue.

Financial Policies Summary

The City Council has an adopted "**Fund Balance Policy**" that establishes the procedures for reporting fund balance in the City's financial statements. Certain commitments and assignments of fund balance will help ensure that there will be adequate financial resources to protect the City against unforeseen circumstances and events such as revenue shortfalls and unanticipated expenditures. Beginning in Fiscal Year 2014-15, the City Council, through budget adoption, approved a minimum fund balance in the General Fund to be equal to 30% of budgeted operating expenses, of which currently 13% is for Economic/Budget Stability Reserves and 17% is for Contingency Reserves (Emergency or Catastrophic Loss reserves). These fund balances have been carved out and represented in the table on the following page. The policy also authorizes and directs the Finance Director to prepare financial reports which accurately categorize fund balance as per Governmental Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. This policy took effect for financial reports for Fiscal Year ending June 30, 2011.

The City Council has an adopted "**Investment Policy**" that establishes the procedures for investing public fund and reporting in the City's financial statements. See "– Investment Policies and Procedures" below.

The City Council has an adopted "**Disclosure Policies and Procedures**" and "**Debt Management Policy**" that establish the procedures for reviewing, reporting, and issuing debt financing in the City. The Securities and Exchange Commission (the "SEC") recommends that issuers of municipal bonds adopt policies and procedures to govern compliance with respect to their initial disclosure and continuing disclosure undertakings. The Debt Policy is intended to comply with Government Code Section 8855(i) effective on January 1, 2017, and shall govern all debt undertaken by the City.

In addition, the City has adopted several other policies and procedures to monitor and sustain the City's fiscal health.

- **Guiding Budget Principles**: Sets 12 overarching principles that guide the budget process.

- **Interfund Loan Policy**: Establishes the guidelines for borrowing short-term (Due To/From) and long-term (Advances To/From) within the City-managed funds.

- **Grant Management Policy**: Establishes the guidelines for applying, reporting, and use of federal, State, or local grants funds.

- **Equipment and Vehicle: Use, Purchase, and Replacement Policy**: Establishes the guidelines for the City's fleet and equipment assets.

- **Cost Recovery Policy**: Establishes a citywide policy to set City fees at the full value of the services provided.

- **Capital Improvement Projects Procedures**: Establishes the guidelines for establishing, prioritizing, and funding capital infrastructure repairs, replacement, and construction.

- **Purchasing Policy and Ordinances**: Establishes the purchasing authority for department heads, the City Manager, and City Council; as well as, the guidelines for requesting supplies or services from outside vendors.

- **Technology and Cyber-Security Policy**: Establishes the guidelines for monitoring and reducing the risk technology cyber threats to the City.

Fund Balance History

The table below sets forth a three-year history of fund balance allocations in the General Fund, as well as the budgeted amounts for Fiscal Year 2023-24.

Table 2
General Fund
Three-Year General Fund Balance Allocations
(dollar amounts in thousands)

Fund Balance Allocations		2020-21 Actuals	2021-22 Actuals	2022-23 Actuals	2023-24 Budget
	Revenues	$104,960	$131,831	$134,187	$139,700
	Expenditures	(76,857)	(85,324)	(102,498)	(109,441)
	Net Transfers In/(Out)	(17,120)	(43,661)	(28,137)	(29,654)
	Net Change in Position	10,983	2,846	3,552	605
Unspendable	Loans Receivable	40	--	5,535	--
Restricted	Fire Med. Leave Bank	975	814	623	625
	Medical Leave Bank	1,373	2,361	2,973	2,975
Committed	Reserve Policy(1)	16,401	14,505	16,489	19,669
Assigned	Reserve Policy(1)	10,934	11,092	12,609	13,132
	Animal Control	22	22	22	22
	Prior Year Reappropriations	321	321	321	325
Unassigned	Unassigned	3,964	7,762	1,857	4,286
Total General Fund		**$34,030**	**$36,877**	**$40,429**	**$41,034**

(1) The City's policy is to maintain a combined reserve policy of 30% of budgeted operating expenses, divided as 17% for Committed for emergencies and 13% Assigned for economic/budget stability.

Source: City of Tracy.

State Budget and Its Impact on the City

General. Information about the Fiscal Year 2023-24 adopted State budget, the Fiscal Year proposed 2024-25 State budget, and other State budgets is regularly available at various State-maintained websites. An impartial analysis of the budget is posted by the Legislative Analyst Office at www.lao.ca.gov. In addition, various State official statements, many of which contain a summary of the current and past State budgets, may be found at the website of the State Treasurer, www.treasurer.ca.gov. *The information referred to in this paragraph is prepared by the respective State agency maintaining each website and not by the City or the Underwriter, and the City and the Underwriter take no responsibility for the continued accuracy of the Internet addresses or for the accuracy or timeliness of information posted there, and such information is not incorporated in this Official Statement by these references.*

Future State Budgets. The City cannot predict what actions will be taken in future years by the State Legislature and the Governor to address a State budget deficit. Future State budgets will be affected by national and state economic conditions and other factors over which the City has no control. To the extent that the State budget process results in reduced revenues to the City, the City will be required to make adjustments to its budget.

Financial Statements

The accounting policies of the City conform to generally accepted accounting principles. The Governmental Accounting Standards Board ("**GASB**") published its Statement No. 34 "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments" on June 30, 1999. Statement No. 34 provides guidelines to auditors, state and local governments and special purpose governments such as school districts and public utilities, on new requirements for financial reporting for all governmental agencies in the United States. Generally, the basic financial statements and required supplementary information should include (i) Management's Discussion and Analysis; (ii) financial statements prepared using the economic measurement focus and the accrual basis of accounting; (iii) fund financial statements prepared using the current financial resources measurement focus and the modified accrual method of accounting; and (iv) required supplementary information.

Accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. There are three groups of funds: governmental funds (which include the General Fund), proprietary funds (which include internal service funds) and fiduciary funds (which are used to account for resources held for the benefit of parties outside the City). Information is presented separately in the governmental statement of revenues, expenditures, and changes in fund balances for the General Fund and the other major funds. Data for the non-major funds are combined into a single aggregated presentation.

All governmental funds and fiduciary funds use the modified accrual basis of accounting. The proprietary funds use the accrual basis of accounting. The General Fund is the general operating fund of the City and is used to account for all financial resources except those required to be accounted for in a separate fund.

In Fiscal Year 2014-15, the City implemented GASB Statements No. 68 and 71. These statements establish standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources and pension plan expenses. GASB Statements No. 68 and No. 71 do not change the pension funding obligations of the City and have had no effect on the General Fund.

The City's most recent audited financial statements are included in the Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2023, which is attached as APPENDIX C to this Official Statement. The financial statements were prepared by the City and audited by The Pun Group, Walnut Creek, California (the "**Auditor**").

The Financial Statements should be read in their entirety. *The City has neither requested nor obtained permission from the Auditor to include the audited financial statements as an appendix to this Official Statement. Accordingly, the Auditor has not performed any post-audit review of the financial condition or operations of the City or General Fund. In addition, the Auditor has not reviewed this Official Statement.*

Set forth on the following pages are (i) a general fund balance sheet for Fiscal Years 2018-19 through 2022-23 and (ii) a statement of revenues, expenditures and changes in fund balances for the City's general fund for the same period.

Table 3
General Fund Balance Sheet

	Audited 2018-19	Audited 2019-20	Audited 2020-21	Audited 2021-22	Audited 2022-23
Assets:					
Cash and investments	$17,927,009	$5,668,536	$12,032,304	$21,334,028	$20,031,056
Receivables:					
Accounts receivable, net	8,415,783	9,174,498	18,638,260	1,105,801	1,097,458
Intergovernmental receivable (1)	--	--	--	13,556,139	16,766,999
Interest receivable	231,123	99,317	109,559	298,494	730,400
Lease receivable	--	--	--	2,233,846	2,040,473
Prepaid items	--	--	--	--	5,534,702
Loans receivable	495,249	67,270	69,270	--	924,960
Due from other funds (2)	8,193,988	8,427,230	2,869,971	2,618,010	--
Due from component unit (3)	--	--	8,719,171	3,575,233	2,223,143
Total assets	$35,263,152	$23,436,851	$42,438,535	$44,721,551	$49,349,191
Liabilities:					
Accounts payable	$1,840,494	$1,726,320	$2,908,630	$3,855,981	$4,496,069
Salary and employee benefits payable (4)	520,144	795,912	5,201,160	743,662	1,122,592
Due to other funds	1,833,600	--	--	--	--
Deposits payable	401,907	176,035	189,139	304,576	536,808
Unearned revenue	76,194	80,082	80,082	694,616	--
Total liabilities	4,672,339	2,778,349	8,379,011	5,598,835	6,155,469
Deferred inflows of resources:					
Unavailable revenue	25,270	27,270	29,270	29,351	756,119
Related to leases	--	--	--	2,216,670	2,009,098
Total Liabilities and Deferred Inflows of Resources	$4,697,609	$2,805,619	$8,408,281	$7,844,856	$8,920,686
Fund Balance:					
Nonspendable:					
Prepayments (5)	--	--	--	--	5,534,702
Loans receivable	469,979	40,000	40,000	--	--
Restricted	--	--	2,348,064	3,174,977	3,595,551
Committed	14,882,561	14,479,022	16,401,047	14,505,000	16,489,000
Assigned	15,213,003	6,112,210	11,277,089	11,435,117	12,952,058
Unassigned	--	--	3,964,054	7,761,601	1,857,194
Total fund balance	30,565,543	20,631,232	34,030,254	36,876,695	40,428,505
Total liabilities, deferred inflows of resources and fund balance	$35,263,152	$23,436,851	$42,438,535	$44,721,551	$49,349,191

(1) Represents receivables owed from other governmental revenues, typically grant revenues.

(2) Represents short-term cash loans from the General Fund to the Community Development Block Grant Special Revenue Fund, the Municipal Airport Enterprise Fund, and the Municipal Transit Enterprise Fund.

(3) The new balance in Fiscal Year 2020-21 is related to the South San Joaquin County Fire Authority, which had previously been reported as a blended component unit in the special revenue funds but is now reported as a component unit. The balance represents amounts due from the Tracy Rural Fire Protection District for payroll paid by the City.

(4) Increase in salary and employee benefits payable in Fiscal Year 2020-21 is due to the implementation of GASB Statement No. 84, which resulted in the reclassification of payroll-related funds (the Medical Leave Bank Fund, the Payroll Clearing Fund, and the Post Employment Benefit Trust Fund).

(5) Represents prepayment of amounts owed by City under its agreement for fire services with the South San Joaquin County Fire Authority.

Source: City of Tracy Annual Comprehensive Financial Reports.

Table 4
Statement of General Fund Revenues, Expenditures and Changes in Fund Balance

	Audited 2018-19	Audited 2019-20	Audited 2020-21	Audited 2021-22	Audited 2022-23
Revenues:					
Taxes [1]	$62,924,050	$64,241,200	$86,616,285	$107,384,147	$107,913,897
Licenses	3,588,115	3,907,932	4,554,069	4,149,346	5,032,217
Fines and penalties	209,256	180,186	779,652	168,400	195,193
Investment income (loss) [2]	1,299,415	1,065,302	253,920	(2,281,888)	1,729,339
Intergovernmental	1,475,809	1,630,147	861,444	2,360,007	3,808,738
Charges for services [3]	9,824,853	11,525,274	10,264,482	12,485,210	13,811,311
Special assessments	463,527	452,110	454,147	468,439	494,066
Contributions	147,221	145,859	155,698	--	--
Other revenues [4]	125,463	--	1,020,172	7,097,109	1,202,563
Total revenues	80,057,709	83,148,010	104,959,869	131,830,770	134,187,324
Expenditures:					
Current:					
General government					
Economic Development [5]	618,371	647,524	1,146,152	741,589	--
General Government [5]	7,171,344	7,023,314	7,659,534	8,549,313	19,549,418
Finance [5]	5,052,345	4,890,254	5,122,963	5,285,544	1,825,892
Non-departmental	433,091	599,975	1,498,300	1,904,536	350,434
Public Safety					
Police	29,868,676	32,903,426	35,188,494	39,796,986	44,811,730
Fire	14,978,488	15,714,615	15,854,221	16,402,214	15,909,273
Public Ways and Facilities					
Development and engineering	1,217,572	201,974	265,249	212,389	55,306
Public works	6,886,803	7,043,632	7,083,249	8,216,190	6,228,092
Culture and leisure					
Parks and community services [5]	3,245,383	3,180,097	3,038,091	4,041,955	11,045,635
Capital outlay	2,018,668	205,540	--	13,558	1,856,213
Debt service:					
Principal	--	--	--	158,533	833,803
Interest and fiscal charges	--	--	--	720	32,253
Total expenditures [6]	71,490,741	72,410,351	76,856,253	85,323,527	102,498,049
Excess of revenues over (under) expenditures	8,566,968	10,737,659	28,103,616	46,507,243	31,689,275
Other financing sources (uses):					
Proceeds from sale of capital assets	2,034	33,298	--	--	--
Contributions	--	3,930,000	--	--	--
Inception of lease agreement	--	--	--	--	688,227
Inception of subscription agreement	--	--	--	--	92,086
Transfers in	1,250,000	26,876	56,230	70,147	920,795
Transfers out [7]	(17,578,348)	(24,662,144)	(17,176,542)	(43,730,949)	(29,838,573)
Total other financing sources (uses)	(16,326,314)	(20,671,970)	(17,120,312)	(43,660,802)	(28,137,465)
Net change in fund balance	(7,759,346)	(9,934,311)	10,983,304	2,846,441	3,551,810
Fund balance - July 1 [8]	38,324,889	30,565,543	23,046,950	34,030,254	36,876,695
Fund balance - June 30	$30,565,543	$20,631,232	$34,030,254	$36,876,695	$40,428,505

[Footnotes appear on following page.]

(1) The City experienced a one-time Sales Tax increase in Fiscal Year 2018-19 related to the State's timing of the 4th Quarter Fiscal Year 2017-18 distribution, which did not occur until Fiscal Year 2018-19. Additionally, a change in the method of tax reporting by a prominent sales tax producer in the City in early 2021 resulted in a shift in the tax allocation form a statewide allocation through the County sales tax pool to a local sales tax allocation based upon the businesses' point-of-sale or fulfillment of the sale, resulting in a significant increase in sales tax revenues. See "CITY FINANCIAL INFORMATION – Sales and Use Taxes."
(2) The City has experienced fluctuation in earnings from its investments.
(3) The City revised its overhead allocations in Fiscal Year 2017-18.
(4) Other Revenue represents various one-time funds that may arise in a given year.
(5) The City reorganized some of its departments between Fiscal Years 2021-22 and 2022-23, which explains a portion of the variances in these line items for such fiscal years. For example, the information technology department was previously reported with Finance but starting in Fiscal Year 2022-23 is reported with General Government.
(6) The City Council's adoption of a set of fiscal sustainability strategies accounts for the majority of the expenditure increase in Fiscal Year 2022-23. These are one-time investments, that can be adopted each year if funding is sufficient, and include pre-payment towards retirement liabilities and additional funding to parks and street repairs. Approximately 15 new positions, many from the General Fund, were also added.
(7) Transfers out primarily represent Measure V capital transfers, airport services, parks, and development services.
(8) The General Fund balance at July 1, 2020 was restated to reflect implementation of GASB 84.

Source: City of Tracy Annual Comprehensive Financial Reports.

Major Revenues

General. Taxes and other sources of revenue received by the City are listed in the table below, which presents the major revenues of the City's General Fund for the last five audited Fiscal Years.

Combined, taxes comprise over 80% of the City's General Fund revenues. Property Tax and Sales Tax contribute approximately three-fourths of the total income for the General Fund (and 90% of the total taxes). The next largest income is received through Charges for Services at 10% of the total General Fund revenue. All other revenues, including taxes from Business License, Transient Occupancy Tax, and Franchise Fees, comprise the remaining 10% of the total revenues. The City's General Fund revenues are expected to continue to increase annually for the next several years; with an annual increase estimated at 2-3%. Although the City cannot foresee all economic trends, the City annually completes a five-year forecast based upon historical collections, market trends and consumer demands. The City's revenues are diversified among Property Tax, Sales Tax, and other revenues. Sales Tax is the most responsive to the volatility changes of the economy, while Property Tax tends to lag by 18-24 months. This allows the City to adjust more gradually to changes such as an economic downturn.

Certain general taxes currently imposed by the City are affected by Proposition 218. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS – Article XIIIC and Article XIIID of the State Constitution."

Table 5
Major Tax Revenues by Source – General Fund

	Audited 2018-19	Audited 2019-20	Audited 2020-21	Audited 2021-22	Audited 2022-23	% of 2022-23 Total	Adopted Budget 2023-24	% of 2023-24 Total
Property Tax	$22,259,306	$24,082,470	$25,735,540	$26,728,529	$30,093,248	26.48%	$30,407,491	24.65%
Property Transfer	1,130,147	1,392,908	2,084,113	2,249,015	1,779,260	1.57	2,343,693	1.90
Business License[(1)]	934,793	850,991	1,016,050	1,038,011	738,856	0.65	$4,500,000	3.65
Sales Tax-Bradley Burns[(2)]	26,229,439	26,313,001	13,843,143	13,017,279	10,487,943	9.23	12,647,321	10.25
Sales Tax-Local Measure[(2)]	10,853,130	10,725,772	42,805,730	62,094,816	63,236,365	55.64	65,950,688	53.45
Franchise Tax	3,545,578	3,864,335	4,257,868	3,866,095	5,127,129	4.51	4,730,551	3.83
Transient Tax	1,638,102	1,447,897	1,702,313	2,130,821	2,185,441	1.92	$2,800,000	2.27
Total	$66,590,495	$68,677,374	$91,444,757	$111,124,567	$113,648,242	100.00%	$123,379,744	100.00%

(1) In November, 2022, the City's voters approved Measure B, which modernized the City's business license tax. As a result, the budget for Fiscal Year 2023-24 is higher than prior fiscal year actual amounts. See " –Other Taxes and Revenues – *Business License Taxes*."

(2) Includes half-cent Measure V sales tax that began in April, 2017. A change in sales tax allocation also increased Tracy's sales tax revenues beginning in calendar year 2021. See "–Sales and Use Taxes" below.

Source: City of Tracy Annual Comprehensive Financial Reports, Statistical Table (does not include Gas Tax); Finance Department, City of Tracy.

Property Taxes

General. This section describes property tax levy and collection procedures and certain information regarding historical assessed values and major property tax payers in the City. See the Statistical Section of the City's Fiscal Year 2022-23 audited financial statements, which are attached to this Official Statement as APPENDIX C, for a table of direct and overlapping governmental activities debt of the City.

Property taxes represent one of the largest sources of tax revenues to the City at approximately 20% in Fiscal Year 2021-22 and 22% in Fiscal Year 2022-23 of total General Fund revenues. The City received approximately $30.1 million in property tax revenue for Fiscal Year 2022-23 (13% growth over prior year) and such revenues are projected to increase to approximately $30.4 million in Fiscal Year 2023-24 (3% growth over Fiscal Year 2022-23). The revenue growth is attributable to the 2% statutory inflationary increase on Assessed Valuation related to Proposition 13, as well as a steady increase in home sales and new home construction that is expected to continue for several years. See " – Assessed Valuation" below. The City uses the services of two consulting firms to assist in forecasting property tax revenues. In addition, these firms provide auditing services to ensure the County tax accurately reflect the City's allocations.

See " – Assessed Valuation" below.

Property taxes have historically been the primary revenue source affected by voter initiatives and legislative actions. The City has also adopted a growth management ordinance that limits annual building permits for residential construction. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS" and "BOND OWNERS' RISKS – Limitations on Taxes and Fees."

ERAF Shift Legislation. Certain property taxes have been shifted from local government agencies to schools by the State Legislature for deposit in the Education Revenue Augmentation Fund ("**ERAF**"), a shift that has resulted in diversion of City property taxes since Fiscal Year 1992-93.

Levy and Collection. Property taxes are levied for each Fiscal Year on taxable real and personal property as of the preceding January 1. For assessment and collection purposes, property is classified either as "secured" or "unsecured" and is listed accordingly on separate parts of the assessment roll. The "secured roll" is that part of the assessment roll containing State-assessed public utilities property and real property the taxes on which are a lien sufficient, in the opinion of the County Assessor, to secure payment of the taxes. Other property is assessed on the "unsecured roll."

Property taxes on the secured roll are due in two installments, on November 1 and February 1 of each Fiscal Year, and become delinquent on December 10 and April 10, respectively. A penalty of 10% attaches immediately to all delinquent payments. Property on the secured roll with respect to which taxes are delinquent become tax defaulted on or about June 30 of the Fiscal Year. Such property may thereafter be redeemed by payment of a penalty of 1.5% per month to the time of redemption, plus costs and a redemption fee. If taxes are unpaid for a period of five years or more, the property may be sold at public auction.

Property taxes on the unsecured roll are due as of the January 1 lien dates and become delinquent on August 31. A 10% penalty attaches to delinquent unsecured taxes. If unsecured

taxes are unpaid at 5:00 p.m. on October 31, an additional penalty of 1.5% attaches to them on the first day of each month until paid. The County has four ways of collecting delinquent unsecured personal property taxes: (1) a civil action against the taxpayer; (2) filing a judgment in the office of the County Clerk specifying certain facts in order to obtain a lien on certain property of the taxpayer; (3) filing a certificate of delinquency for record in the County Recorder's office in order to obtain a lien on certain property of the taxpayer; and (4) seizure and sale of personal property, improvements or possessory interests belonging or assessed to the assessee.

Assessed Valuation. All property is assessed using full cash value as defined by Article XIIIA of the State Constitution. State law provides exemptions from *ad valorem* property taxation for certain classes of property such as churches, colleges, non-profit hospitals, and charitable institutions. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS."

Future assessed valuation growth allowed under Article XIIIA of the State Constitution (new construction, certain changes of ownership, 2% inflation) will be allocated on the basis of "situs" among the jurisdictions that serve the tax rate area within which the growth occurs. Local agencies and schools will share the growth of "base" revenues from the tax rate area. Each year's growth allocation becomes part of each agency's allocation in the following year.

Assessed Valuation History. The following table shows a ten-year history of the City's assessed valuation.

Table 6
Assessed Value of Taxable Property
Fiscal Years 2013-14 through 2022-23

Category	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Residential	$5,483,285,494	$6,338,819,597	$6,659,567,812	$7,068,856,191	$7,507,417,694	$8,039,865,942	$8,555,296,590	$9,143,911,871	$9,760,318,294	$10,872,703,960
Commercial	780,671,922	809,032,343	813,724,348	885,051,665	929,006,663	947,333,003	955,735,852	1,030,981,316	1,063,194,692	1,083,958,507
Industrial	643,307,116	731,830,268	729,448,654	985,768,269	1,096,123,367	1,174,162,150	1,317,064,070	1,497,816,029	1,725,889,800	2,058,957,773
Agricultural	15,845,815	50,838,834	64,987,156	16,157,722	16,512,544	14,680,140	13,112,309	9,954,085	15,740,791	10,060,103
Govt. Owned	53,723	1,213,712	1,096,359	55,884	57,001	58,141	383,006	390,665	394,710	402,603
Institutional	8,872,850	9,692,380	9,515,260	5,720,691	14,530,172	13,108,380	14,022,064	17,778,493	13,241,969	13,819,306
Miscellaneous	31,765,357	31,703,360	32,517,596	904,446	1,000,531	1,020,538	1,040,944	1,059,690	1,181,722	1,188,739
Recreational	16,461,155	16,557,457	16,769,125	12,877,684	13,135,180	13,397,875	13,655,823	13,907,241	14,051,314	14,332,332
Vacant	132,775,224	130,690,678	298,360,191	245,602,494	237,333,513	224,337,103	390,395,541	450,516,491	542,638,869	795,102,051
SBE Nonunitary	12,164,031	12,164,031	12,164,031	11,939,960	11,939,960	11,939,960	11,939,960	13,423,391	13,423,381	13,423,381
Cross Reference	5,285,640	5,447,560	6,166,763	6,326,367	6,436,773	6,538,593	6,625,995	7,908,510	8,944,462	11,232,816
Unsecured	283,642,728	362,915,054	385,687,795	514,650,372	577,931,679	537,094,969	558,315,419	608,053,111	586,803,473	738,816,903
Exempt	(10,494,903)	(11,108,238)	(13,653,324)	(14,691,821)	(14,741,007)	-	-	-	-	-
Unknown	65,332,242	-	-	-	-	692,500	336,600	305,883	309,051	315,231
TOTALS	$7,479,463,297	$8,500,905,274	$9,030,005,090	$9,753,911,745	$10,411,425,077	$10,984,229,294	$11,837,934,173	$12,796,006,766	$13,746,132,528	$15,614,313,705

Source: City of Tracy Annual Comprehensive Financial Reports.

Proposition 13 and Proposition 8 Property Value Adjustments. Proposition 13, adopted in 1978, established the base year value concept for property tax assessments. Under Proposition 13, the 1975-76 Fiscal Year serves as the original base year used in determining the assessment for real property. Thereafter, annual increases to the base year value are limited to the inflation rate, as measured by the California Consumer Price Index, or 2%, whichever is less. A new base year value, however, is generally established whenever a property, or portion thereof, has had a change in ownership or has been newly constructed.

Proposition 8, enacted in 1978, allows for a temporary reduction in assessed value when a property suffers a "decline-in-value." As of January 1st (lien date) each year, the Assessor must enroll either a property's Proposition 13 value (adjusted annually for inflation by no more than 2%) or its current market value, whichever is less. When the current market value replaces the higher Proposition 13 value, the lower value is commonly referred to as a "Proposition 8 Value." "Proposition 8 values" are temporary and, once enrolled, must be reviewed annually by the assessor until the Proposition 13 adjusted base year value is enrolled.

Major Property Taxpayers. The following table shows the principal property taxpayers in the City as determined by their taxable assessed valuations in Fiscal Year 2022-23.

Table 7
Principal Property Tax Payers

	Fiscal Year 2022-23		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Prologis LP	$714,191,872	1	4.57%
Amazon Com Services Inc	274,757,310	2	1.76
Grant Chrisman LLC	161,818,454	3	1.04
Lennar Homes of California Inc	157,290,496	4	1.01
USLP Tracy IV LP	141,500,000	5	0.91
Fedex Ground Package System In	128,811,026	6	0.82
OLLIIX LLC	96,269,492	7	0.62
Leprino Foods Company Corp	94,875,242	8	0.61
LTMT Tracy LLC	88,277,678	9	0.57
West Valley Holdings LLC	85,757,804	10	0.55
Top Ten Total	$1,943,549,374		12.45%

Source: City of Tracy Annual Comprehensive Financial Report; The HdL Company.

Teeter Plan. The Board of Supervisors of the County has approved the implementation of the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the "**Teeter Plan**"), as provided for in Section 4701 et seq. of the California Revenue and Taxation Code. Under the Teeter Plan, the County apportions secured property taxes on an accrual basis when due (irrespective of actual collections) to local political subdivisions, including the City, for which the County acts as the tax-levying or tax-collecting agency.

The Teeter Plan is applicable to all tax levies on secured property for which the County acts as the tax-levying or tax-collecting agency, or for which the County treasury is the legal depository of the tax collections.

The Teeter Plan is to remain in effect unless the Board of Supervisors of the County orders its discontinuance or unless, prior to the commencement of any fiscal year of the County (which commences on July 1), the Board of Supervisors receives a petition for its discontinuance joined in by resolutions adopted by at least two-thirds of the participating revenue districts in the County, in which event the Board of Supervisors is to order discontinuance of the Teeter Plan effective at the commencement of the subsequent fiscal year. If the Teeter Plan is discontinued subsequent to its implementation, only those secured property taxes actually collected would be allocated to political subdivisions (including the City) for which the County acts as the tax-levying or tax-collecting agency.

Sales and Use Taxes

Sales taxes represent the largest source of tax revenue to the City at approximately 57% in Fiscal Year 2021-22 and 55% in Fiscal Year 2022-23 of total General Fund revenues. The City received approximately $73 million in Sales Tax revenue for Fiscal Year 2022-23 (a 2% decrease from the prior year) and such revenues are projected to increase to approximately $78 million in Fiscal Year 2023-24 (7% increase over Fiscal Year 2022-23). Part of the increase in Sales Tax revenue reflects increased sales volumes, including growth in online sales, and an increase in the number of sales tax producers in the City. The City also continues to be successful in attracting large distribution centers to its industrial parks which not only increase the City's base tax, but add to the City's half-cent local Sales Tax revenue Measure V, which is described further below.

Additionally, shortly after the adoption of the Fiscal Year 2021-22 budget, the City received the January-March 2021 Sales Tax (Bradley Burns State Sales Tax) disbursement from the State of California Department of Tax Franchise Administration, which significantly exceeded the City's prior estimates. The increase was due to a recent change in tax reporting by a prominent sales tax producer in the City. This reporting change shifted the tax allocation from a statewide allocation through the County sales tax pool, where the tax was distributed pro-rata throughout the State, to a local sales tax allocation based upon the businesses' point-of-sale or fulfillment of the sale. The change had a significant impact on the City's General Fund revenues, nearly doubling the sales tax revenues from the prior fiscal year. A recent study by the California Department of Tax and Fee Administration ("**CDTFA**") examined the potential effects of changes to statewide tax allocation related to ecommerce from a point of fulfillment allocation to a point of delivery allocation. The CDTFA study was preliminary in nature and employed data only from credit card transactions. According to the CDTFA study, the impact of such a change on the City's sales tax allocation could be negative 25% or greater, the highest category in the study. The City is not aware of any proposed bills in the State legislature affecting the allocation of sales tax revenues; however, the allocation of sales taxes has from time to time been the subject of legislative change and there can be no assurances that the current allocation of sales tax revenues (including but not limited to the allocation of sales tax revenues from online sales) among the relevant tax-recipient agencies will continue in the future. See "BOND OWNERS' RISKS – Certain Risks Associated with Sales Tax and Other Local Tax Revenues." After the increase in sales tax revenue described earlier in this paragraph, the City used some of the increased revenue for one-time items, such as pre-funding pension obligations. If a change in law or application of law negatively impacted the City's sales tax allocation in the future, the City anticipates that it would mitigate the impact by reducing funding of such one-time items, although there can be no assurance as to the size of the impact a change in law could have on the City's sales tax allocation or whether reducing funding for one-time items would fully offset that impact. See " – Employee Retirement System" for further information on the City's pre-funding of pension obligations.

The City has two revenue streams for Sales Tax; Bradley Burns, the State's Sales Tax and Measure V, the City's local Sales Tax. The City receives a portion of the statewide Sales Tax, 1 cent per dollar transaction. In addition, the Tracy residents approved an additional ½ cent Sales Tax for goods bought or delivered to Tracy. From 2011 through 2016, the City's local measure was known as Measure E. After it expired, the City placed a new measure on the November 2016 ballot with a 20-year term. Approved by the voters, Measure V went into effect in April 2017 and will sunset in March 2037. The local Sales Tax revenue generates sufficient revenues to allow the City to fund a new aquatic center, multi-generational gymnasium, and improvements to Legacy Fields Sports Complex. These facilities are expected to have a regional draw, further improving sales tax revenues within the City.

This section describes the current system for levying, collecting and distributing sales and use tax revenues in the State of California.

Sales Tax Rates. The City collects a percentage of taxable sales in the City (minus certain administrative costs imposed by the State) pursuant to the Bradley-Burns Uniform Local Sales and Use Tax (the "**Sales Tax Law**"), as shown below.

Local taxes are included in the statewide sales and use tax rate of 7.25%. Additional local taxes approved by voters (also referred to as district taxes or "transaction taxes") are applied to purchases where the goods are delivered or placed into use in the City.

Currently, taxable transactions in the City are subject to the following sales and use tax, of which the City's share is only a portion. The State collects and administers the tax, and makes distributions on taxes collected within the City, as follows:

Table 8
Sales Tax Rates
Fiscal Year 2023-24

Component	Rate
State and County Sales Tax Rates	
State General Fund	3.94%
County Realignment (Mental Health/Welfare/Public Safety)	1.56
City/County General Fund (Bradley-Burns)	1.00
County Public Safety (Prop 172)	0.50
Countywide Transportation Fund	0.25
Total	7.25%
District (Local) Sales Tax Rates	
Tracy Transactions & Use Tax (Measure V)	0.50%
San Joaquin Transportation Authority (K) (SJTA)	0.50
Total	1.00%
Total Sales Tax Rate	8.25%

Source: City of Tracy, based on information provided by Hdl.

Sales and use taxes are complementary taxes; when one applies, the other does not. In general, the statewide sales tax applies to gross receipts of retailers from the sale of tangible personal property in the State of California. The use tax is imposed on the purchase, for storage, use or other consumption in the State of tangible personal property from any retailer. The use tax generally applies to purchases of personal property from a retailer outside the State of California where the use will occur within the State of California. The Sales Tax is imposed upon the same transactions and items as the statewide sales tax and the statewide use tax.

Certain transactions are exempt from the State sales tax, including sales of the following products:

- food products for home consumption;
- prescription medicine;
- newspapers and periodicals;
- edible livestock and their feed;
- seed and fertilizer used in raising food for human consumption; and
- gas, electricity and water when delivered to consumers through mains, lines and pipes.

This is not an exhaustive list of exempt transactions. A comprehensive list can be found in the State Board of Equalization's Publication No. 61 entitled "Sales and Use Taxes: Exemptions and Exclusions," which can be found on the CDTFA website at www.cdtfa.ca.gov. *The reference to this Internet website is provided for reference and convenience only. The information contained within the website may not be current, has not been reviewed by the City and is not incorporated in this Official Statement by reference.*

Sales Tax Collection Procedures. Collection of the sales and use tax is administered by the CDTFA. Retailers engaged in business in California must register with the CDTFA and pay the state's sales tax, which applies to all retail sales of goods and merchandise except those sales specifically exempted by law. The use tax generally applies to the storage, use, or other consumption in California of goods purchased from retailers in transactions not subject to the sales tax. Use tax may also apply to purchases shipped to a California consumer from another state, including purchases made by mail order, telephone, or Internet. The sales and use tax rate in a specific California location has three parts: the state tax rate, the local tax rate, and any district tax rate that may be in effect. These transmittals are required to be made at least twice in each calendar quarter.

Under its procedures, CDTFA projects receipts of the sales and use tax on a quarterly basis and remits an advance of the receipts of the sales and use tax to the City on a monthly basis. The amount of each monthly advance is based upon CDTFA's quarterly projection. During the last month of each quarter, CDTFA adjusts the amount remitted to reflect the actual receipts of the sales and use tax for the previous quarter.

According to CDTFA, it distributes quarterly tax revenues to cities, counties and special districts using the following method:

Using the prior year's like quarterly tax allocation as a starting point, CDTFA first eliminates nonrecurring transactions such as fund transfers, audit payments and refunds, and then adjusts for growth, in order to establish the estimated base amount. CDTFA disburses 90% to each local jurisdiction in three monthly installments (advances) prior to the final computation of the quarter's actual receipts. Ten percent is withheld as a reserve against unexpected occurrences that can affect tax collections (such as earthquakes, fire or other natural disaster) or distributions of revenue such as unusually large refunds or negative fund transfers. The first and second advances each represent 27% of the 90% distribution, while the third advance represents 46%. One advance payment is made each month, and the quarterly reconciliation payment (clean-up) is distributed with the third payment. Statements showing total collections, administrative costs, prior advances and the current advance are provided with each quarterly clean-up payment.

CDTFA receives an administrative fee based on the cost of services provided by CDTFA to the City in administering the City's sales tax, which is deducted from revenue generated by the sales and use tax before it is distributed to the City. In addition, the City receives auditing and forecasting services from HdL to ensure that the City receives the proper allocation of sales tax revenue.

Location Agreements.

In December 2015, the City entered into a Location Agreement with a manufacturer and distributor of healthcare products and services (the "**2015 Company**") to make payments to the 2015 Company in return for the 2015 Company establishing, locating and operating a sales office in the City. Under the terms of the agreement, the City has agreed to pay the 2015 Company 50% of the quarterly local sales tax revenues attributable to the 2015 Company'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 $3,993,536 to the 2015 Company during the year ended June 30, 2023.

In August 2017, the City entered into a Location Agreement with a manufacturer and distributor of healthcare products and services (the "**2017 Company**") to make payments to the 2017 Company in return for the 2017 Company establishing, locating and operating a sales office in the City. Under the terms of the agreement, the City has agreed to pay the 2017 Company 50% of the quarterly local sales tax revenues attributable to the 2017 Company's taxable sales for each fiscal quarter, excluding penalty assessments, commencing with the quarter beginning October 1, 2018 and ending on September 30, 2038, unless otherwise extended in accordance with the agreement. The City paid $2,565,406 to the 2017 Company during the year ended June 30, 2023.

In December 2019, the City entered into a Location Agreement with a manufacturer and distributor of general merchandise (the "**2019 Company**") to make payments to the 2019 Company in return for the 2019 Company establishing, locating and operating a sales office in the City. Under the terms of the agreement, the City has agreed to pay the 2019 Company 50% of the quarterly local sales tax revenues attributable to the 2019 Company's taxable sales for each fiscal quarter, excluding penalty assessments, commencing with the quarter beginning January 1, 2022 and ending on December 31, 2041, unless otherwise extended in accordance with the agreement. The City paid $565,406 to the 2019 Company during the year ended June 30, 2023.

Historical Composition of Sales Tax Revenue. A historical summary of sales tax composition by category is shown in the following table. The data presented show the full value of the City's 1.0% share of sales taxes under the Sales Tax Law, and do not reflect the State's "triple-flip" adjustments, administrative fees, or the 5% of the City's revenue allocable to San Joaquin County. The table below is provided by the City's sales tax auditors (HdL) and reflects allocation on a calendar year basis.

Table 9
Taxable Sales by Category
(calendar year basis)
($000s)

Category	2018	2019	2020	2021	2022
Apparel stores	$48,375	$45,993	$29,574	$44,011	$42,528
General merchandise stores	213,121	215,827	211,069	241,016	238,840
Food and beverage stores	41,464	44,419	52,373	53,721	54,981
Eating and drinking places	170,760	178,219	158,797	202,125	217,644
Building maintenance and garden supplies	181,962	189,871	202,653	233,436	262,415
Auto dealers and auto suppliers	370,201	350,651	370,211	442,727	405,550
Service stations	183,816	182,184	139,332	193,568	250,752
Other retail stores	165,256	157,680	152,281	181,165	177,792
All other outlets	941,140	1,340,169	1,542,922	5,187,486	5,336,640
Total	**$2,316,095**	**$2,705,013**	**$2,859,212**	**$6,779,255**	**$6,987,142**

Source: City of Tracy, based on information provided by Hdl.

Other Taxes and Revenues

Business License Taxes. Business taxes are paid by individuals and entities for the privilege of conducting business in the City and to help play for public services that contribute to a favorable business environment. In November, 2022, voters in the City approved Measure B, which modernizes the City's 39 year-old business tax structure. The new business license tax, which went into effect on July 1, 2023, is expected to be more equitable among businesses in the City while also increasing overall business license tax revenues.

Businesses reporting gross receipts of $500,000 or less pay a flat rate of $50 annually. Businesses with gross receipts over $500,000 are taxed at a rate that ranges between 0.1-0.3%, depending on the business category.

Exemptions are provided for the following:

- Nonprofit organizations.
- Disabled veterans.
- Disabled persons.
- Minimal income persons. Any person whose annual gross income from any such business is less than $2,000.
- Minors.
- Solicitors in interstate commerce.

The City received approximately $1,037,000 in business license tax revenue for Fiscal Year 2021-22 and approximately $739,000 for Fiscal Year 2022-23. Due to Measure B, the adopted budget for Fiscal Year 2023-24 included approximately $4,500,000 in business license tax revenue. At the time of the amended Fiscal Year 2023-24 budget in May, 2024, budgeted business license tax revenue had increased to approximately $8 million. In response to feedback from the community, the City has begun exploring amendments to the business license tax. If adopted, these amendments are anticipated to reduce business license tax revenues going forward to a level more consistent with the City's original adopted Fiscal Year 2023-24 budget

amount of $4.5 million. However, there can be no assurance as to the timing or effect of any amendments to the business license tax.

Franchise Taxes. State law provides cities with the authority to grant franchises to privately-owned utility and other companies for their use of the public right-of-way. The City receives franchise fees from the electric and gas utility, the solid waste collection company, and local cable companies. The dominant franchise fees are calculated as a percentage of the respective franchisee's gross revenues (subject to specified statutory adjustments) earned from services delivered or performed by the franchisee within the City.

Gas and electricity franchise: PG&E franchise fee revenues change because of changes to the cost of natural gas and other resources used to generate electricity, consumer power demands (which are affected by the economy), interstate energy contract pricing, and State and federal regulatory changes. Decreased demand (a factor of weather and price) or significant interstate cost decreases are factors that might negatively affect this revenue. Gas and electric franchise fee revenues were $906,278 in Fiscal Year 2021-22 and $1,128,816 in Fiscal Year 2022-23.

Cable franchise: AB 2987 was signed into California law and became effective January 1, 2007. This legislation transferred the franchising functions to the State and set a fixed franchise fee of 5%. Cable franchise fee revenues were $820,760 in Fiscal Year 2021-22 and $761,816 in Fiscal Year 2022-23.

Solid waste collection franchise: Solid waste collection franchise fee revenues were $2,374,008 in Fiscal Year 2021-22 and $3,083,712 in Fiscal Year 2022-23.

Transient Occupancy Taxes (TOT). The City's transient occupancy tax rate of 10% is charged on hotel and motel room occupancies of 30 days or less. It is paid by hotel and motel customers in addition to the room rate. Fiscal Year 2022-23 transient occupancy tax revenues were approximately $2.2 million, a decrease of 3.4% from the prior Fiscal Year level.

Long-Term Obligations

General Fund and Enterprise Obligations. Following is a summary schedule of the City's outstanding debt, including both general fund obligations and enterprise (business-type) obligation.

	Balance June 30, 2023
Governmental Activities	
Lease Revenue Bonds, Series 2020	$ 16,405,000
Lease Revenue Bonds, Series 2022	17,465,000
Total Governmental Activities	33,870,000
Business-Type Activities	
2004 Wastewater Certificates of Participation	$ 19,305,000
State of California Public Health Loan	5,343,212
Total Business-Type Activities	24,648,212
Successor Agency	
Tax Allocation Refunding Bonds, Series 2016	$ 24,410,000
Total Successor Agency	24,410,000
Total	**$82,928,212**

Source: City of Tracy Fiscal Year 2022-23 Annual Comprehensive Financial Report.

Special Tax and Assessment Obligations. The City has financed certain infrastructure improvements through the issuance of long-term debt secured by special taxes or assessments. The City has no direct or contingent liability or moral obligation for the payment of this debt from the general fund. The combined outstanding balance of this debt as of June 30, 2023, was $474,580,000.

Direct and Overlapping Bonded Debt

Set forth following is a direct and overlapping debt report (the "**Debt Report**") prepared by California Municipal Statistics, Inc. and effective January 1, 2024. The Debt Report is included for general information purposes only. The City has not reviewed the Debt Report for completeness or accuracy and makes no 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 the City in whole or in part. Such long-term obligations generally are not payable from revenues of the City (except as indicated) nor are they necessarily obligations secured by land within the City. 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 which have outstanding debt as of the date of the Debt Report and whose territory overlaps the City; (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 the City; 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 the City, as

determined by multiplying the total outstanding debt of each agency by the percentage of the City's assessed valuation represented in column 2.

City of Tracy
Summary of Overlapping Debt
As of January 1, 2024

2023-24 Assessed Valuation: $17,259,238,029

OVERLAPPING TAX AND ASSESSMENT DEBT:	% Applicable	Debt 1/1/24
San Joaquin Delta Community College District	14.716%	$ 23,937,046
Lammersville Joint Unified School District	12.835	7,142,678
Tracy Unified School District	86.478	22,527,519
Tracy Unified School District School Facilities Improvement District No. 3	92.168	87,571,490
Banta School District	10.210	27,057
Jefferson School District	80.172	35,133,080
City of Tracy Community Facilities District No. 93-1	100.000	1,710,000
City of Tracy Community Facilities District No. 98-1	100.000	17,690,000
City of Tracy Community Facilities District No. 98-3	100.000	180,000
City of Tracy Community Facilities District No. 99-1	100.000	630,000
City of Tracy Community Facilities District No. 99-2	100.000	3,510,000
City of Tracy Community Facilities District No. 2000-1	100.000	7,270,000
City of Tracy Community Facilities District No. 2006-1	100.000	7,165,000
City of Tracy Community Facilities District No. 2016-1 I.A No. 1	100.000	64,490,000
City of Tracy Community Facilities District No. 2016-1 I.A No. 2	100.000	33,955,000
City of Tracy Community Facilities District No. 2016-2 I.A No. 1	100.000	14,970,000
City of Tracy Community Facilities District No. 2016-2 I.A No. 2	100.000	12,970,000
City of Tracy Community Facilities District No. 2021-1	100.000	6,815,000
City of Tracy 1915 Act Bonds	100.000	420,000
California Statewide Community Development Authority 1915 Act Bonds	100.000	7,756,054
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT		$355,869,924
DIRECT AND OVERLAPPING GENERAL FUND DEBT:		
San Joaquin County Certificates of Participation	15.913%	$ 7,830,787
Lammersville Joint Unified School District General Fund Obligations	12.835	1,787,916
City of Tracy General Fund Obligations (1)	**100.000**	**32,400,000**
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT		$42,018,703
OVERLAPPING TAX INCREMENT DEBT (Successor Agency):	100.000%	$22,670,000
COMBINED TOTAL DEBT (2)		$420,558,627

Ratios to 2023-24 Assessed Valuation:

Total Overlapping Tax and Assessment Debt	2.06%
Total Direct Debt ($32,400,000)	**0.19%**
Combined Total Debt	2.44%

(1) Excludes issue to be sold.
(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.
Source: California Municipal Statistics, Inc.

Employee Relations

There are approximately 463 full and part-time employees of the City, represented by formal labor organizations or not represented, as shown in the table below.

Labor Group	Number of Employees	Contract Expiration Date
Elected	6	N/A
Appointed	2	N/A
Department Heads	8	June 30, 2025
Confidential Mid-Managers	22	June 30, 2025
Mid-Managers Bargaining Unit	67	June 30, 2025
Tracy Technical & Support Services Employees Assn	79	June 30, 2025
Teamsters	176	June 30, 2025
Tracy Police Officers Assn	94	June 30, 2025
Tracy Police Managers Assn	9	June 30, 2025
Total	463	

Risk Management

The City is exposed to various risks related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The city maintains the Insurance Internal Service Fund to account for and finance its risks of loss.

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.

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 Limits
Boiler and Machinery ($1,000 to $10,000)	100,000,000
Automobile ($500 for vehicles valued above $25,000)	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 and assessments, the City's self-insured retention portion of claims paid, and the City's allocation of shared risks. Five 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, 2023, the City contributed $7,866,209 for current year coverage. Settled claims have not exceeded insurance coverage in any of the past three Fiscal Years.

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.

See Note 13 in the City's Fiscal Year 2022-23 audited financial statements, which are attached to this Official Statement as APPENDIX C, for additional information about the City's risk management practices.

Employee Retirement System

*This caption contains certain information relating to California Public Employees' Retirement System ("**CalPERS**"). The information is primarily derived from the City's Annual Comprehensive Financial Report and information produced by CalPERS, its independent accountants and actuaries. The City has not independently verified the information provided by CalPERS and makes no representations and expresses no opinion as to the accuracy of the information provided by CalPERS.*

The Annual Comprehensive financial reports of CalPERS are available on its Internet website at www.calpers.ca.gov. The CalPERS website also contains CalPERS' most recent actuarial valuation reports and other information concerning benefits and other matters. Such information is not incorporated by reference in this Official Statement. None of the Authority, City or Purchaser can guarantee the accuracy of such information. Actuarial assessments are "forward-looking" statements that reflect the judgment of the fiduciaries of the pension plans, and are based upon a variety of assumptions, one or more of which may not materialize or may be changed in the future. Actuarial assessments will change with the future experience of the pension plans.

Plan Descriptions. All qualified permanent and probationary employees are eligible to participate in the City's separate Safety (police and fire) and Miscellaneous (all other) Plans, agent multiple-employer defined benefit pension plans administered by CalPERS, which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and City resolution. 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.

Benefits Provided. CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Classic CalPERS members become 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. Benefits are based on years of credited service, equal to one year of full time employment. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional

Settlement 2W Death Benefit. The cost of living adjustments ("**COLA**") for each plan are applied as specified by the Public Employees' Retirement Law. The Pension Reform Act of 2013 (PEPRA), Assembly Bill 340, is applicable to employees new to CalPERS and hired after December 31, 2012.

A summary of the City's benefit formulas as of June 30, 2023, is provided below:

Miscellaneous

	Classic Tier I	Classic Tier II	PEPRA
Hire date	Prior to October 9, 2011	After October 9, 2011	On or after January 1, 2013
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 of % 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-Miscellaneous $4,226,040

Safety-Police

	Classic Tier I	Classic Tier II	PEPRA
Hire date	Prior to April 8, 2012	After April 8, 2012	On or after January 1, 2013
Benefit formula	3.0% @ 50	3.0% @ 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 of % 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	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	3.0% @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 of % 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%

Required UAL contribution-Police and Fire Included in Safety-Police total in the prior table

Beginning in Fiscal Year 2018, CalPERS collects employer contributions for the Plans as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded accrued liability ("**UAL**"). The dollar amounts are billed on an annual basis. The City's required contributions for the unfunded liability for Miscellaneous and Safety Plans were $4,577,079 and $4,756,422, respectively, in Fiscal Year 2022-23, as shown in the tables below.

Employees Covered. At the June 30, 2022 measurement date, the following employees were covered by the benefit terms for each plan:

	Miscellaneous	Safety
Active employees	329	103
Transferred and terminated employees	300	139
Retired employees and beneficiaries	373	187
Total	1,002	429

Required Contributions. The City is required to contribute at an actuarially determined rate of annual covered payroll for normal cost and an actuarially determined dollar amount to amortize the unfunded liability. The actuarially determined rates and contribution amounts for each plan for the Fiscal Years ended June 30, 2023, through June 30, 2025, are as follows:

	Fiscal Year 2022-23		Fiscal Year 2023-24		Fiscal Year 2024-25	
	Employer Normal Cost Rate	Employer Payment of Unfunded Liability	Employer Normal Cost Rate	Employer Payment of Unfunded Liability	Employer Normal Cost Rate	Employer Payment of Unfunded Liability
Safety Plan	21.73%	$4,756,422	23.21%	$4,993,635	24.23%	$5,601,286
Miscellaneous Plan	9.10%	$4,577,079	10.38%	$4,628,579	10.03%	$5,202,049

Source: CalPERS Actuarial Reports dated, July 2021, July 2022, and July 2023.

On July 19, 2023, CalPERS announced preliminary investment returns for the 12-month period ended June 30, 2023, of 5.8%. Such returns are higher than CalPERS' current assumed rate of investment return (6.8%). See "–Recent Actions Taken by CalPERS" below.

The City's total contributions to each plan in Fiscal Years 2020-21, 2021-22, and 2022-23 were as follows:

Miscellaneous Plan

Fiscal Year	Total City Contribution
2020-21	$6,067,472
2021-22	6,787,574
2022-23	7,226,222

Safety Plan

Fiscal Year	Total City Contribution
2020-21	$7,379,603
2021-22	7,549,380
2022-23	7,159,137

Projected Contributions. The table below shows the City's required and projected contributions (before cost sharing) for the next six Fiscal Years, as projected by CalPERS. Projected results reflect the adopted changes to the CalPERS discount rate. The projections also assume that all actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits, or funding will occur during the projection period. The projected normal cost percentages in these projections do not reflect that the normal cost will decline over time as new employees are hired into PEPRA or other lower cost benefit tiers.

Miscellaneous Plan

	Required Contribution	Projected Future Employer Contributions (Assumes 6.80% Return for Fiscal Year 2022-23 and Beyond)				
Fiscal Year	2024-25	2025-6	2026-27	2027-28	2028-29	2029-30
Normal Cost %	10.03%	9.8%	9.7%	9.5%	9.4%	9.2%
UAL Payment	$5,202,049	$5,236,000	$5,292,000	$5,591,000	$6,283,000	$6,403,000

Source: CalPERS Actuarial Report dated July 2023.

Safety Plan

	Required Contribution	Projected Future Employer Contributions (Assumes 6.80% Return for Fiscal Year 2022-23 and Beyond)				
Fiscal Year	2024-25	2025-6	2026-27	2027-28	2028-29	2029-30
Normal Cost %	24.23%	23.7%	23.2%	22.7%	22.2%	21.6%
UAL Payment	$5,601,286	$6,095,000	$6,327,000	$6,711,000	$7,550,000	$7,693,000

Source: CalPERS Actuarial Report dated July 2023.

Funded Status. The following table sets forth the schedule of funding progress for the City's Miscellaneous and Safety pension plans as of the three most recent actuarial valuation dates.

Miscellaneous Plan

Valuation Date (June 30)	Accrued Liability	Market Value of Assets	Unfunded Liability	Funded Ratio (1)	Annual Covered Payroll
2020	$180,163,889	$130,921,832	$49,242,057	72.7%	$27,214,046
2021	195,484,020	161,295,327	34,188,693	82.5	27,776,725
2022	207,433,959	149,162,951	58,271,008	71.9	29,172,164

(1) Based on the market value of assets.
Source: CalPERS Actuarial Report Dated July 2023.

Safety

Valuation Date (June 30)	Accrued Liability	Market Value of Assets	Unfunded Liability	Funded Ratio (1)	Annual Covered Payroll
2020	$216,226,719	$157,292,202	$58,934,517	72.7%	$20,190,098
2021	239,379,365	195,559,768	43,819,597	81.7	21,530,190
2022	252,446,327	81,289,865	71,156,462	71.8	12,673,837

(1) Based on the market value of assets.
Source: CalPERS Actuarial Report Dated July 2023.

In March 2022, in response to increases in projected General Fund revenues, the City Council of the City approved a plan to pre-fund a portion of the unfunded liability of the City's pension plans, in the amount of 2% of budgeted General Fund revenues. To date, the City has pre-funded approximately $4 million. The City plans to continue such pre-funding of its pension plan unfunded liability through Fiscal Year 2025-26.

Potential Impacts on Future Required Contributions. The CalPERS Board of Administration has adjusted and may in the future further adjust certain assumptions used in the CalPERS actuarial valuations, which adjustments may increase the City's required contributions to CalPERS in future years. Accordingly, the City cannot provide any assurances that the City's required contributions to CalPERS in future years will not significantly increase (or otherwise vary) from any past or current projected levels of contributions.

Change in Assumptions/Discount Rate. On December 21, 2016, the CalPERS Board of Administration voted to lower its discount rate from the then-current rate of 7.50% to 7.00% over a three-year period. The change was reflected in the June 30, 2016 actuarial report, which lowered the discount rate from 7.50% to 7.375%; in the June 30, 2017 actuarial report, which lowered the discount rate from 7.375% to 7.25%; and in the June 30, 2018 actuarial report, which lowered the discount rate from 7.25% to 7.00%. CalPERS further reduced the discount rate to 6.8% in September 2021.

Investment Performance. CalPERS earnings reports for Fiscal Years 2012 through 2022 report investment gains of approximately 0.1%, 13.2%, 18.4%, 2.4%, 0.6%, 11.2%, 8.6%, 6.7%, 4.7%, 21.3% and (6.1%), respectively. The CalPERS Fiscal Year 2021-22 investment loss of

6.1% is not included as an amortization base in the most recent CalPERS valuation report and is not reflected in the numbers included herein. Future earnings performance may increase or decrease future contribution rates for plan participants, including the City. CalPERS has preliminarily reported a 5.8% investment return for Fiscal Year 2022-23.

The CalPERS website contains the most recent actuarial valuation reports for the City's Miscellaneous Plan and Safety Plan and other information that concerns benefits and other matters. The Comprehensive Annual financial reports of CalPERS are also available on CalPERS' Internet website at www.calpers.ca.gov. The textual reference to such Internet website is provided for convenience only. None of the information on such Internet website is incorporated by reference herein. Neither the Authority, the City, nor the Underwriter guarantee the accuracy of such information.

Other Post-Employment Benefits ("OPEB")

This caption contains certain information relating to the City's OPEB plan, and is primarily derived from the City's Annual Comprehensive Financial Report.

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 from the City 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 and management Safety 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 10 years of employment with the City. Safety employees: Police employees, except managers, can bank their unused sick leave if they have at least 10 years of employment. Fire employees have a choice to bank their unused sick leave. Fire employees also need at least 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.

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, 2023, those costs for 25 retirees totaled $621,430 and the total liability amount in the medical leave bank is $5,626,333.

After the account is exhausted, the retiree has the 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 we have included Medicare eligible retirees in this valuation, both their liability and their annual implicit subsidy are both $0. The Plan does not issue a separate financial report.

Membership of the Plan consisted of the following as of June 30, 2022, the date of the latest actuarial valuation:

Active employees	347
Transferred and terminated employees	--
Retired employees and beneficiaries	25
Total	372

Funding Policy. 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. Additionally, in March 2022, in response to increases in projected General Fund revenues, the City Council of the City approved a plan to pre-fund a portion of the City's OPEB liability, in the amount of 2% of budgeted General Fund revenues. The City began funding a Section 115 Trust with CalPERS in Fiscal Year 2022-23 and, to date, the City has pre-funded approximately $4 million. The City plans to continue such pre-funding of its OPEB liability through Fiscal Year 2025-26.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Valuation date	June 30, 2022
Measurement date	June 30, 2022
Actuarial cost method	Entry Age Normal Cost Method
Actuarial assumptions	
Discount rate	4.09%
Inflation	2.50%
Projected salary increase	3.00%
Healthcare trend	4.80% initially reduced by decrements to an ultimate of 3.9% in 2076
Mortality	CalPERS 2021 Experience Study

Changes in OPEB Liability of the City. The changes in OPEB liability of the City as of June 30, 2022, is shown in the following table:

CHANGES IN TOTAL OPEB LIABILITY

	Total OPEB Liability
Balance at June 30, 2021	$7,055,491
Service Cost	504,444
Interest on the total OPEB liability	162,107
Difference between expected and actual experience	-
Changes of Assumptions	(1,412,084)
Benefit payments	(247,683)
Net changes	(993,216)
Balance at June 30, 2022 (Measurement Date)	$6,062,275

Source: City of Tracy Fiscal Year 2022-23 Annual Comprehensive Financial Report.

The following presents the net OPEB liability of the City if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for period ended June 30, 2021:

	Discount Rate (1%) 3.09%	Current Discount Rate 4.09%	Discount Rate + 1% 5.09%
Net OPEB Liability	$6,599,178	$6,062,275	$5,571,628

Source: City of Tracy Fiscal Year 2022-23 Annual Comprehensive Financial Report.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to revision at least biannually as results are compared to past expectations and new estimates are made about the future.

See Note 15 in the City's Fiscal Year 2022-23 audited financial statements, which are attached to this Official Statement as APPENDIX C, for additional information about the City's OPEB plan.

Investment Policies and Procedures

The City invests its funds in accordance with the City's Investment Policy (the "**Investment Policy**"), which is subject to annual review and approval by the City Council. The purpose of the Investment Policy is to identify various policies and procedures that will foster a prudent and systematic investment program designed to seek the City objectives of safety, liquidity and return on investment through a diversified investment portfolio. The Investment Policy also serves to organize and formalize the City's investment-related activities, while complying with all applicable statutes governing the investment of public funds. The Investment Policy is written to incorporate industry best practices and recommendations from sources such as the Government Finance Officers Association (GFOA), California Municipal Treasurers Association (CMTA), California Debt and Investment Advisory Commission (CDIAC) and the Association of Public Treasurers (APT).

The City's overall investment program is designed and managed with a degree of professionalism worthy of the public trust. The overriding objectives of the program are to preserve principal, provide sufficient liquidity, and manage investment risks, while seeking a market-rate of return.

The City's investments are governed by California Government Code, Sections 53600 et seq. Within the investments permitted by the Government Code, the City seeks to further restrict eligible investments to the guidelines listed below. In the event a discrepancy is found between the Investment Policy and the Government Code, the more restrictive parameters will take precedence.

Monthly transaction reports are submitted by the City Treasurer to the City Council within 30 days of the end of the reporting period in accordance with California Government Code Section 53607. In addition, the City Treasurer submits a quarterly investment report to the City Council which provides full disclosure of the City's investment activities within 30 days after the end of the quarter.

As of February 29, 2024, the City has invested funds as set forth in the table below.

Table 10
Investment Portfolio as of February 29, 2024

	Market Value	Percentage of Portfolio
Investments in City Pool:		
Wells Fargo, Sweep	$29,541,420	5.35%
Wells Fargo, Checking	1,574,455	0.28
Chandler Asset Management	150,670,181	27.27
J.P. Morgan Securities	173,322,297	31.37
Invesco	90,418,860	16.37
State of California Local Agency Investment Funds (LAIF)	62,299,903	11.28
CAMP	4,367,342	0.79
Total City Pool Investments	**512,194,458**	**92.71**
Investments Held by Trustees:		
Money Market Funds	$40,253,697	7.29
Total Investments	**$552,448,155**	**100.00%**

Source: City of Tracy.

CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS

The constitutional and statutory provisions discussed in this section have the potential to affect the ability of the City to levy taxes and spend tax proceeds for operating and other purposes.

Article XIIIA of the State Constitution

On June 6, 1978, California voters approved Proposition 13, which added Article XIIIA to the State Constitution. Article XIIIA, as amended, limits the amount of any *ad valorem* tax on real property to one percent of the full cash value thereof, except that additional *ad valorem* taxes may be levied to pay debt service (i) on indebtedness approved by the voters prior to July 1, 1978, (ii) on bonded indebtedness approved by a two-thirds vote on or after July 1, 1978, for the acquisition or improvement of real property or (iii) bonded indebtedness incurred by a school district, community college district or county office of education for the construction, reconstruction, rehabilitation or replacement of school facilities, including the furnishing and equipping of school facilities or the acquisition or lease of real property for school facilities, approved by 55 percent of the voters voting on the proposition. Article XIIIA defines full cash value to mean "the county assessor's valuation of real property as shown on the 1975-76 tax bill under "full cash value," or thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment." This full cash value may be increased at a rate not to exceed two percent per year to account for inflation.

Article XIIIA has subsequently been amended to permit reduction of the "full cash value" base in the event of declining property values caused by damage, destruction or other factors, to provide that there would be no increase in the "full cash value" base in the event of reconstruction of property damaged or destroyed in a disaster, and in other minor or technical ways.

Legislation Implementing Article XIIIA

Legislation has been enacted and amended a number of times since 1978 to implement Article XIIIA. Under current law, local agencies are no longer permitted to levy directly any property tax (except to pay voter-approved indebtedness). The one percent property tax is automatically levied by the County and distributed according to a formula among taxing agencies. The formula apportions the tax roughly in proportion to the relative shares of taxes levied prior to 1989.

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the two percent annual adjustment are allocated among the various jurisdictions in the "taxing area" based upon their respective "situs." Any such allocation made to a local agency continues as part of its allocation in future years.

All taxable property is shown at full market value on the tax rolls. Consequently, the tax rate is expressed as $1 per $100 of taxable value. All taxable property value included in this Official Statement is shown at 100 percent of market value (unless noted differently) and all tax rates reflect the $1 per $100 of taxable value.

Article XIIIB of the State Constitution

In addition to the limits Article XIIIA imposes on property taxes that may be collected by local governments, certain other revenues of the State and most local governments are subject to an annual "appropriations limit" imposed by Article XIIIB which effectively limits the amount of such revenues those entities are permitted to spend. Article XIIIB, approved by the voters in June 1979, was modified substantially by Proposition 111 in 1990. The appropriations limit of each government entity applies to "proceeds of taxes," which consist of tax revenues, State subventions and certain other funds, including proceeds from regulatory licenses, user charges or other fees to the extent that such proceeds exceed "the cost reasonably borne by such entity in providing the regulation, product or service." "Proceeds of taxes" excludes tax refunds and some benefit payments such as unemployment insurance. No limit is imposed on the appropriation of funds which are not "proceeds of taxes," such as reasonable user charges or fees, and certain other non-tax funds. Article XIIIB also does not limit appropriation of local revenues to pay debt service on bonds existing or authorized by January 1, 1979, or subsequently authorized by the voters, appropriations required to comply with mandates of courts or the federal government, appropriations for qualified capital outlay projects, and appropriation by the State of revenues derived from any increase in gasoline taxes and motor vehicle weight fees above January 1, 1990, levels. The appropriations limit may also be exceeded in case of emergency; however, the appropriations limit for the next three years following such emergency appropriation must be reduced to the extent by which it was exceeded, unless the emergency arises from civil disturbance or natural disaster declared by the Governor, and the expenditure is approved by two-thirds of the legislative body of the local government.

The State and each local government entity has its own appropriations limit. Each year, the limit is adjusted to allow for changes, if any, in the cost of living, the population of the jurisdiction, and any transfer to or from another government entity of financial responsibility for providing services. Proposition 111 requires that each agency's actual appropriations be tested against its limit every two years.

If the aggregate "proceeds of taxes" for the preceding two-year period exceeds the aggregate limit, the excess must be returned to the agency's taxpayers through tax rate or fee reductions over the following two years.

The City has never exceeded its appropriations limit.

Articles XIIIC and XIIID of the State Constitution

General. On November 5, 1996, the voters of the State approved Proposition 218, known as the "Right to Vote on Taxes Act." Proposition 218 adds Articles XIIIC and XIIID to the California Constitution and contains a number of interrelated provisions affecting the ability of the City to levy and collect both existing and future taxes, assessments, 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 XIIIA and XIIIC of the State Constitution. The amendments to Article XIIIA limit the ability of the State Legislature to impose higher taxes (as defined in Proposition 26) without a two-thirds vote of the Legislature. The amendments to Article

XIIIC define "taxes" that are subject to voter approval as "any levy, charge, or exaction of any kind imposed by a local government," with certain exceptions.

Taxes. Article XIIIC requires that all new local taxes be submitted to the electorate before they become effective. Taxes for general governmental purposes of the City ("general taxes") require a majority vote; taxes for specific purposes ("special taxes"), even if deposited in the City's General Fund, require a two-thirds vote.

Property-Related Fees and Charges. Article XIIID also adds several provisions making it generally more difficult for local agencies to levy and maintain property-related fees, charges, and assessments for municipal services and programs.

Reduction or Repeal of Taxes, Assessments, Fees and Charges. Article XIIIC also removes limitations on the initiative power in matters of reducing or repealing local taxes, assessments, fees or charges. No assurance can be given that the voters of the City will not, in the future, approve an initiative or initiatives which reduce or repeal local taxes, assessments, fees or charges currently comprising a substantial part of the City's General Fund. If such repeal or reduction occurs, the City's ability to pay debt service on the 2024 Bonds could be adversely affected.

Burden of Proof. Article XIIIC provides that local government "bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity." Similarly, Article XIIID provides that in "any legal action contesting the validity of a fee or charge, the burden shall be on the agency to demonstrate compliance" with Article XIIID.

Judicial Interpretation of Proposition 218. The interpretation and application of Articles XIIIC and XIIID will ultimately be determined by the courts, and it is not possible at this time to predict with certainty the outcome of such determination.

Impact on City's General Fund. The City does not believe that any material source of General Fund revenue is subject to challenge under Proposition 218 or Proposition 26.

The approval requirements of Articles XIIIC and XIIID reduce the flexibility of the City to raise revenues for the General Fund, and no assurance can be given that the City will be able to impose, extend or increase the taxes, fees, charges or taxes in the future that it may need to meet increased expenditure needs.

Proposition 62

Proposition 62 was adopted by the voters at the November 4, 1986, general election and (a) requires that any new or higher taxes for general governmental purposes imposed by local governmental entities such as the City be approved by a two-thirds vote of the governmental entity's legislative body and by a majority vote of the voters of the governmental entity voting in an election on the tax, (b) requires that any special tax (defined as taxes levied for other than general governmental purposes) imposed by a local governmental entity be approved by a two-thirds vote of the voters of the governmental entity voting in an election on the tax, (c) restricts the use of revenues from a special tax to the purposes or for the service for which the special tax was imposed, (d) prohibits the imposition of ad valorem taxes on real property by local

governmental entities except as permitted by Article XIIIA, (e) prohibits the imposition of transaction taxes and sales taxes on the sale of real property by local governmental entities, and (f) requires that any tax imposed by a local governmental entity on or after August 1, 1985, be ratified by a majority vote of the voters voting in an election on the tax within two years of the adoption of the initiative or be terminated by November 15, 1988.

California appellate court cases have overturned the provisions of Proposition 62 pertaining to the imposition of taxes for general government purposes. However, the California Supreme Court upheld Proposition 62 in its decision on August 28, 1995, in *Fresno County Transportation Authority v. Guardino*. This decision reaffirmed the constitutionality of Proposition 62. Certain matters regarding Proposition 62 were not addressed in the Supreme Court's decision, such as what remedies exist for taxpayers subject to a tax not in compliance with Proposition 62, and whether the decision applies to charter cities. The City has not experienced any substantive adverse financial impact as a result of the passage of this initiative.

Proposition 1A; Proposition 22

Proposition 1A. Proposition 1A, proposed by the Legislature in connection with the State's Fiscal Year 2004-05 Budget, approved by the voters in November 2004 and generally effective in Fiscal Year 2006-07, provided that the State may not reduce any local sales tax rate, limit existing local government authority to levy a sales tax rate or change the allocation of local sales tax revenues, subject to certain exceptions. Proposition 1A generally prohibited the State from shifting to schools or community colleges any share of property tax revenues allocated to local governments for any Fiscal Year, as set forth under the laws in effect as of November 3, 2004. Any change in the allocation of property tax revenues among local governments within a county had to be approved by two-thirds of both houses of the Legislature.

Proposition 22. Proposition 22, entitled "The Local Taxpayer, Public Safety and Transportation Protection Act," was approved by the voters of the State in November 2010. Proposition 22 eliminates or reduces the State's authority to (i) temporarily shift property taxes from cities, counties and special districts to schools, (ii) use vehicle license fee revenues to reimburse local governments for State-mandated costs (the State will have to use other revenues to reimburse local governments), (iii) redirect property tax increment from redevelopment agencies to any other local government, (iv) use State fuel tax revenues to pay debt service on State transportation bonds, or (v) borrow or change the distribution of State fuel tax revenues.

Possible Future Initiatives

Articles XIIIA, XIIIB, XIIIC and XIIID and Propositions 62, 111, 218 and 1A were each adopted as measures that qualified for the ballot pursuant to the State's initiative process. From time to time other initiative measures could be adopted, further affecting revenues of the City or the City's ability to expend revenues. The nature and impact of these measures cannot be anticipated by the City.

Initiative Measure Qualified for November 2024 Ballot – Taxpayer Protection and Government Accountability Act

On February 1, 2023, the California Secretary of State announced that a ballot initiative known as the "Taxpayer Protection and Government Accountability Act," (**"Initiative 1935**") has received the required number of signatures to appear on the November 5, 2024 ballot. If approved by a majority of voters casting a ballot at the November 5, 2024 Statewide election,

Initiative 1935 would make numerous significant changes to Articles XIII, XIIIA, XIIIC and XIIID of the California Constitution to further limit the authority of local governments, and electors via the initiative process, to adopt and impose taxes and fees. The full text of Initiative 1935 may be viewed at the website of the California Attorney General.

Among other things, Initiative 1935 would amend the definition of "tax" in Article XIIIC to include "every levy, charge, or exaction of any kind imposed by a local law that is not an exempt charge." Initiative 1935 defines "exempt charge" to mean a "reasonable charge for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the *actual costs* (as opposed to the reasonable costs) of providing the service or product to the payor." "Exempt charges" also encompass existing exceptions from the definition of "tax" added to Article XIIIC by Proposition 26, including property-related fees imposed in accordance with Article XIIID. "Actual costs" is defined as "the minimum amount necessary to reimburse the government for the cost of providing the service or product … less all other sources of revenue including, but not limited to taxes, other exempt charges, grants, and state or federal funds received to provide such service or product." Initiative 1935 further provides that the local government adopting an exempt charge would bear the burden of proving by *clear and convincing evidence* (as opposed to a preponderance of the evidence) that: (a) a levy, charge or exaction is an exempt charge and not a tax; and (b) the amount of the exempt charge is reasonable and that the amount charged does not exceed the actual cost of providing the service or product to the payor.

Initiative 1935 is retroactive, and provides that any tax or exempt charge adopted after January 1, 2022 but prior to the effective date of Initiative 1935, which was not adopted in compliance with the requirements thereof, would be void 12 months after the effective date of Initiative 1935, unless the tax or exempt charge is reenacted in compliance with the provisions of Initiative 1935.

The City cannot predict whether Initiative 1935 will be approved at the November 5, 2024 Statewide election. If Initiative 1935 is approved, the City cannot provide any assurances that its revenues will not be significantly affected.

BOND OWNERS' RISKS

The following describes certain special considerations and risk factors affecting the payment of and security for the 2024 Bonds. The following discussion is not meant to be an exhaustive list of the risks associated with the purchase of any 2024 Bonds and does not necessarily reflect the relative importance of the various risks. Potential investors in the 2024 Bonds are advised to consider the following special factors along with all other information in this Official Statement in evaluating the 2024 Bonds. There can be no assurance that other considerations will not materialize in the future.

No Pledge of Taxes

General. The obligation of the City to pay the Lease Payments and Additional Rental Payments does not constitute an obligation of the City for which the City is obligated to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation. The obligation of the City to pay Lease Payments and Additional Rental Payments does not constitute a debt or indebtedness of the Authority, the City, the State of California or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction.

The City is currently liable on other obligations payable from general revenues, which are described above under "CITY FINANCIAL INFORMATION – Long-Term General Fund Obligations."

Limitations on Taxes and Fees

Limitations on Taxes and Fees. Certain taxes, assessments, fees and charges presently imposed by the City could be subject to the voter approval requirements of Article XIIIC and Article XIIID of the State Constitution. Based upon the outcome of an election by the voters, such fees, charges, assessments and taxes might no longer be permitted to be imposed, or may be reduced or eliminated and new taxes, assessments fees and charges may not be approved. The City has assessed the potential impact on its financial condition of the provisions of Article XIIIC and Article XIIID of the State Constitution respecting the imposition and increase of taxes, fees, charges and assessments and does not believe that an election by the voters to reduce or eliminate the imposition of certain existing fees, charges, assessments and taxes would substantially affect its financial condition. However, the City believes that if the initiative power was exercised so that all local taxes, assessments, fees and charges that may be subject to Article XIIIC and Article XIIID of the State Constitution are eliminated or substantially reduced, the financial condition of the City, including its General Fund, could be materially adversely affected.

Although the City does not currently anticipate that the provisions of Article XIIIC and Article XIIID of the State Constitution would adversely affect its ability to pay Lease Payments and its other obligations payable from the General Fund, no assurance can be given regarding the ultimate interpretation or effect of Article XIIIC and Article XIIID of the State Constitution on the City's finances. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS."

Additional Obligations

The Indenture allows Additional Bonds payable from additional Lease Payments subject to certain conditions set forth in the Indenture, including a requirement that the aggregate Lease Payments will not exceed the fair rental value of the Leased Property. See "SECURITY FOR THE

2024 BONDS – Additional Bonds" and "APPENDIX B – SUMMARY OF PRINCIPAL LEGAL DOCUMENTS." In the event that the Additional Bonds are being issued to finance the construction of a to-be-built project, and such project is to be part of the Leased Property prior to its completion, the Supplemental Indenture authorizing the issuance of such Additional Bonds must require the deposit into a Capitalized Interest Account in the Interest Account, or a subaccount therein, of an amount sufficient to pay interest on such Additional Bonds through a date which is not less than six months after the anticipated completion date of the project, but only if such Additional Bonds are issued prior to the substantial completion of such project and only if the City is unable to make a finding that the fair rental value of the Leased Property prior to the completion of the project is equal to or greater than the aggregate amount of the Lease Payments coming due and payable during each Rental Period. There is some risk that failure to complete a project that is part of the Leased Property before any capitalized interest has been fully expended could result in the fair rental value of the Leased Property being less than the scheduled Lease Payments and, in such a situation, if the proceeds of rental interruption insurance are exhausted and the reserve fund (if any) is fully depleted, abatement of the Lease Payments may occur. However, the City believes that the requirement for capitalized interest to established through a date that is not less than six months after the anticipated completion date should provide sufficient protection against this risk.

The City has existing obligations payable from its General Fund. See "CITY FINANCIAL INFORMATION – Long-Term General Fund Obligations." The City is permitted to enter into other obligations which constitute additional charges against its revenues without the consent of Owners of the 2024 Bonds. To the extent that additional obligations are incurred by the City, the funds available to pay Lease Payments may be decreased.

The Lease Payments and other payments due under the Lease Agreement (including payment of costs of repair and maintenance of the Leased Property, taxes and other governmental charges levied against the Leased Property) are payable from funds lawfully available to the City. If the amounts that the City is obligated to pay in a fiscal year exceed the City's revenues for such year, the City may choose to make some payments rather than making other payments, including Lease Payments and Additional Rental Payments, based on the perceived needs of the City. The same result could occur if, because of California Constitutional limits on expenditures, the City is not permitted to appropriate and spend all of its available revenues or is required to expend available revenues to preserve the public health, safety and welfare.

Default

Whenever any event of default referred to in the Lease Agreement happens and continues, the Authority is authorized under the terms of the Lease Agreement to exercise any and all remedies available under law or granted under the Lease Agreement. See "APPENDIX B – SUMMARY OF PRINCIPAL LEGAL DOCUMENTS" for a detailed description of available remedies in the case of a default under the Lease Agreement.

If a default occurs, there is no remedy of acceleration of the total Lease Payments due over the term of the Lease Agreement. The Trustee is not empowered to sell the Leased Property and use the proceeds of such sale to prepay the 2024 Bonds or pay debt service on the 2024 Bonds.

The City will be liable only for Lease Payments on an annual basis and, in the event of a default, the Trustee would be required to seek a separate judgment each year for that year's

defaulted Lease Payments. Any such suit for money damages would be subject to limitations on legal remedies against municipalities in the State, including a limitation on enforcement of judgments against funds of a fiscal year other than the fiscal year in which the Lease Payments were due and against funds needed to serve the public welfare and interest.

Abatement

Under certain circumstances related to damage, destruction, condemnation, or title defects which cause a substantial interference with the use and possession of the Leased Property, the City's obligation to make Lease Payments will be subject to full or partial abatement and could result in the Trustee having inadequate funds to pay the principal and interest on the 2024 Bonds as and when due. See "SECURITY FOR THE 2024 BONDS – Abatement" and "APPENDIX B – SUMMARY OF PRINCIPAL LEGAL DOCUMENTS."

There will be no abatement of Lease Payments under the Lease Agreement to the extent that the proceeds of hazard insurance or rental interruption insurance are available to pay Lease Payments that would otherwise be abated. See "SECURITY FOR THE 2024 BONDS – Abatement." However, there is no assurance that the Authority will receive proceeds of hazard insurance or rental interruption insurance in time to make debt service payments on the 2024 Bonds when due.

Although the City is required under the Lease Agreement to maintain property and liability insurance with respect to the Leased Property, the required insurance coverage is subject to certain conditions and restrictions. See "SECURITY FOR THE 2024 BONDS – Property Insurance."

No Debt Service Reserve Fund

The Authority will not fund a debt service reserve fund for the 2024 Bonds. If Revenues are insufficient for the Authority to pay debt service on the 2024 Bonds when due, no debt service reserve will be available under the Indenture for the Authority to make such payments.

Property Taxes

Levy and Collection. The City does not have any independent power to levy and collect property taxes. Any reduction in the tax rate or the implementation of any constitutional or legislative property tax decrease could reduce the City's property tax revenues, and accordingly, could have an adverse impact on the ability of the City to make Lease Payments. Likewise, delinquencies in the payment of property taxes could have an adverse effect on the City's ability to pay principal of and interest on the 2024 Bonds when due.

Reduction in Inflationary Rate. Article XIIIA of the California Constitution provides that the full cash value base of real property used in determining assessed value may be adjusted from year to year to reflect the inflationary rate, not to exceed a 2% increase for any given year, or may be reduced to reflect a reduction in the consumer price index or comparable local data. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS." Such measure is computed on a calendar year basis. Because Article XIIIA limits inflationary assessed value adjustments to the lesser of the actual inflationary rate or 2%, there have been years in which the assessed values were adjusted by actual inflationary rates, which were less than 2%. Since Article XIIIA was approved, the annual adjustment for inflation has fallen below the 2% limitation a limited number of times.

The City is unable to predict if any adjustments to the full cash value base of real property within the City, whether an increase or a reduction, will be realized in the future.

Appeals of Assessed Values. There are two types of appeals of assessed values that could adversely impact property tax revenues:

Proposition 8 Appeals. Most of the appeals that might be filed in the City would be based on Section 51 of the Revenue and Taxation Code, which requires that for each lien date the value of real property must be the lesser of its base year value annually adjusted by the inflation factor pursuant to Article XIIIA of the State Constitution or its full cash value, taking into account reductions in value due to damage, destruction, depreciation, obsolescence, removal of property or other factors causing a decline in value.

Under California law, property owners may apply for a reduction of their property tax assessment by filing a written application, in form prescribed by the State Board of Equalization, with the appropriate county board of equalization or assessment appeals board. In most cases, the appeal is filed because the applicant believes that present market conditions (such as residential home prices) cause the property to be worth less than its current assessed value. These market-driven appeals are known as Proposition 8 appeals.

Any reduction in the assessment ultimately granted as a Proposition 8 appeal applies to the year for which application is made and during which the written application was filed. These reductions are often temporary and are adjusted back to their original values when market conditions improve. Once the property has regained its prior value, adjusted for inflation, it once again is subject to the annual inflationary factor growth rate allowed under Article XIIIA.

Base Year Appeals. A second type of assessment appeal is called a base year appeal, where the property owners challenge the original (basis) value of their property. Appeals for reduction in the "base year" value of an assessment, if successful, reduce the assessment for the year in which the appeal is taken and prospectively thereafter. The base year is determined by the completion date of new construction or the date of change of ownership. Any base year appeal must be made within four years of the change of ownership or new construction date.

No assurance can be given that property tax appeals in the future will not significantly reduce the City's property tax revenues.

Natural Calamities

From time to time, the City could be subject to natural calamities that may adversely affect economic activity in the City, which could have a negative impact on the City's finances. Additionally, a natural calamity adversely affecting the Leased Property could have a negative impact of the City's use of such property, which could result in abatement of Lease Payments. See "– Abatement" above.

Seismic. Major earthquake fault zones in the vicinity of the City include the Greenville fault zone to the west and the San Joaquin fault to the south, among others. The City cannot

predict how much damage may occur within the City to the Leased Property, specifically, and how much reduction in assessed valuation in the City may result from an earthquake.

Under the Lease Agreement, the City is not required to obtain earthquake insurance on the Leased Property.

Flood. According to Federal Emergency Management Agency maps, the majority of the City is outside the 100-year flood zone. However, the Leased Property is located in Zone AE, which is subject to inundation by a 100-year flood. Most of the area of the Leased Property consists of fields without impervious improvements. Additionally, the permanent structures such as bathrooms and concessions stands have been constructed at an elevation above that of the 100-year floodplain. Nonetheless, in the event of a flood at the Leased Property, the Leased Property (including its permanent structures) may be damaged and such damage may be material.

Fire Hazards. In recent years, wildfires have caused extensive damage throughout the State. Certain of these fires have burned thousands of acres and destroyed hundreds and in some cases thousands of homes. In some instances, entire neighborhoods have been destroyed. Several fires which occurred in 2017 damaged or destroyed property in areas that were not previously considered to be at risk from such events. In November 2018, the Camp Fire occurred in Butte County, California. The Camp Fire is the deadliest and most destructive wildfire in the recorded history of the State burning more than 150,000 acres and destroying more than 11,500 structures, including most of the structures in the City of Paradise, California. Some commentators believe that climate change will lead to even more frequent and damaging wildfires in the future.

The land within the City is susceptible to wildland fires due to a combination of factors including winds, temperatures, humidity levels, fuel moisture content of vegetation and topography. The risk to the community is increased in some areas because of the combustibility of building materials including roofs, adequacy of access roads, water supply duration, and pressure and maintenance of flammable vegetation surrounding structures.

To quantify this potential hazard, the California Department of Forestry and Fire Protection ("**Cal Fire**") has developed a fire modeling and mapping process that utilizes three main criteria in order to evaluate and recommend potential fire hazards in wildland areas. The criteria are type of vegetation, fire weather, and topography. The maps developed by Cal Fire identify areas as Fire Hazard Severity Zones and include three severity classifications: moderate, high, and very high.

Fire hazards in the City are usually created as the number of homes adjoining open space increases; therefore, much of the threat of wildland fires is due to open grasslands abutting residential developments. Many neighborhoods within the City are located in remote regions and are surrounded by grasslands. As the City continues to expand, more of these wildland urban interface areas are created. This situation creates extreme fire hazards, and the City is committed to planning development, with the help of fire protection agencies, that minimizes the risk of fire to the greatest extent possible. Because of an extended dry season with low humidity, the City has many days where fire danger is critical.

In the event taxable property within the City were destroyed by wildfires, the assessed valuation of such property would be reduced. Such reduction of assessed valuations could result in a reduction of property tax revenues to the City.

Droughts. California is subject to droughts from time to time. Most recently, in October, 2021, the Governor declared a Statewide drought state of emergency and requested that all water users voluntarily reduce water use by 15%. The declaration encouraged water agencies to draw upon supplies other than groundwater and to implement their water shortage contingency plans and authorized the State Water Resources Control Board to adopt regulations that prohibit wasteful water use. While some drought-related water restrictions were eased in May 2023, no assurance can be given that drought conditions will not return in the future.

Public Health Emergencies

In recent years, public health authorities have warned of threats posed by outbreaks of disease and other public health threats. For example, in 2020 the WHO announced that COVID-19, an upper respiratory tract illness, was a pandemic as it spread across the globe, having significant adverse health and financial impacts throughout the world. The spread of the COVID-19 coronavirus pandemic, and responses intended to slow its spread, resulted in negative health and economic impacts to various communities, including the City (on a temporary basis).

Although the COVID-19 pandemic is now in decline, future pandemics may arise in the future with similar or event more adverse economic impacts. Uncertain too are the actions that may be taken by federal, State and local governmental authorities to contain or mitigate the effects of any such future outbreak.

Certain Risks Associated with Sales Tax and Other Local Tax Revenues

For fiscal year 2022-23, sales tax revenues were the largest source of revenue to the General Fund of the City. See "CITY FINANCIAL INFORMATION – Major Revenues" and "– Sales and Use Taxes." Sales tax revenues are based upon the gross receipts of retail sales of tangible goods and products by retailers with taxable transactions in the City, which could be impacted by a variety of factors.

For example, the City may enter into an economic recession. In times of economic recession, the gross receipts of retailers often decline, and such a decline would cause the sales tax revenues received by the City to also decline.

In addition, changes or amendments in the laws applicable to the City's receipt of sales tax revenues or other local taxes, whether implemented by State legislative action or voter initiative, could have an adverse effect on sales tax revenues received by the City. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS – Proposition 218 – Article XIIIC and Article XIIID." Furthermore, changes or amendments in the laws governing the allocation of sales tax among local tax recipient agencies could have an adverse effect on sales tax revenues received by the City. For example, the CDTFA recently conducted an initial study of the potential effects of changes to statewide sales tax allocation related to ecommerce from a point of fulfillment allocation to a point of delivery allocation. The CDTFA study was preliminary in nature and employed data only from credit card transactions. According to the CDTFA study, the impact of such a change on the City's sales tax allocation could be negative 25% or greater, the highest category in the study. Currently, the City is not aware of any proposed bills in the State legislature that would make such a change to statewide sales tax allocation. See "CITY FINANCIAL INFORMATION – Sales and Use Taxes."

As a further example, many categories of transactions are exempt from the statewide sales tax, and additional categories could be added in the future. Currently, most sales of food products for human consumption are exempt; this exemption, however, does not apply to liquor or to restaurant meals. The rate of sales tax levied on taxable transactions in the City or the fee charged by the California Department of Tax and Fee Administration for administering the City's sales tax could also be changed.

Limitations on Remedies Available to Bond Owners

The ability of the City to comply with its covenants under the Lease Agreement may be adversely affected by actions and events outside of the control of the City, and may be adversely affected by actions taken (or not taken) by voters, property owners, taxpayers or payers of assessments, fees and charges. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS" above. Furthermore, any remedies available to the owners of the 2024 Bonds upon the occurrence of an event of default under the Lease Agreement or the Indenture are in many respects dependent upon judicial actions, which are often subject to discretion and delay and could prove both expensive and time consuming to obtain.

In addition to the limitations on Bondowner remedies contained in the Lease Agreement and the Indenture, the rights and obligations under the 2024 Bonds, the Lease Agreement and the Indenture may be subject to the following: the United States Bankruptcy Code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors' rights generally, now or hereafter in effect; usual equity principles which may limit the specific enforcement under State law of certain remedies; the exercise by the United States of America of the powers delegated to it by the Federal Constitution; and the reasonable and necessary exercise, in certain exceptional situations, of the police power inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose. Bankruptcy proceedings, or the exercise of powers by the federal or state government, if initiated, could subject the Owners of the 2024 Bonds to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation or modification of their rights.

The opinion to be delivered by Bond Counsel concurrently with the issuance of the 2024 Bonds will include a qualification that the rights of the owners of the 2024 Bonds and the enforceability of the 2024 Bonds and the Indenture, the Lease Agreement and the Site Lease may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and may also be subject to the exercise of judicial discretion in accordance with principles of equity or otherwise in appropriate cases. See APPENDIX D — PROPOSED FORM OF OPINION OF BOND COUNSEL.

Loss of Tax-Exemption

As discussed under the caption "TAX MATTERS," interest on the 2024 Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date the 2024 Bonds were issued, as a result of future acts or omissions of the Authority or the City in violation of their respective covenants in the Lease Agreement and the Indenture. Should such

an event of taxability occur, the 2024 Bonds are not subject to special redemption and will remain Outstanding until maturity or until redeemed under other provisions set forth in the Indenture.

Secondary Market for Bonds

There can be no guarantee that there will be a secondary market for the 2024 Bonds or, if a secondary market exists, that any 2024 Bonds can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history or economic prospects connected with a particular issue, secondary marketing practices in connection with a particular issue are suspended or terminated. Additionally, prices of 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.

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. The City is also reliant on other entities and service providers in connection with the administration of the 2024 Bonds, including without limitation the County tax collector for the levy and collection of property taxes, and the Trustee. No assurance can be given that the City and these other entities will not be affected by cyber threats and attacks in a manner that may affect the 2024 Bond owners.

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 2024 Bonds will be selected for audit by the IRS. It is also possible that the market value of such 2024 Bonds might be affected as a result of such an audit of such 2024 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 2024 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 2024 Bond owners from realizing the full current benefit of the tax status of such interest.

TAX MATTERS

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 2024 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 2024 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 Authority 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 2024 Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The Authority 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 2024 Bonds.

Tax Treatment of Original Issue Discount and Premium. If the initial offering price to the public at which a 2024 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 2024 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 2024 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 2024 Bonds to determine taxable gain upon disposition (including sale, redemption, or payment on maturity) of such 2024 Bond. The Tax Code contains certain provisions relating to the accrual of original issue discount in the case of purchasers of the 2024 Bonds who purchase the 2024 Bonds after the initial offering of a substantial amount of such maturity. Owners of such 2024 Bonds should consult their own tax advisors with respect to the tax consequences of ownership of 2024 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 2024 Bonds is sold to the public.

Under the Tax Code, bond premium is amortized on an annual basis over the term of the 2024 Bond (said term being the shorter of the 2024 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 2024 Bond for purposes of determining taxable gain or loss upon disposition. The amount of bond premium on a 2024 Bond is amortized each year over the term to maturity of the 2024 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 2024 Bond premium is not deductible for federal income tax purposes. Owners of premium 2024 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 2024 Bonds.

California Tax Status. In the further opinion of Bond Counsel, interest on the 2024 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 2024 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 2024 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 2024 Bonds, or as to the consequences of owning or receiving interest on the 2024 Bonds, as of any future date. Prospective purchasers of the 2024 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 2024 Bonds should also be aware that the ownership or disposition of, or the accrual or receipt of interest on, the 2024 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 2024 Bonds, the ownership, sale or disposition of the 2024 Bonds, or the amount, accrual or receipt of interest on the 2024 Bonds.

CERTAIN LEGAL MATTERS

Jones Hall, A Professional Law Corporation, Bond Counsel, will render an opinion with respect to the validity of the 2024 Bonds, the form of which is set forth in APPENDIX D." Certain legal matters will also be passed upon for the City and the Authority by Jones Hall, A Professional Law Corporation, as Disclosure Counsel. Certain legal matters will be passed upon for the City and the Authority by the City Attorney. Certain legal matters will be passed upon for the Underwriter by its counsel, Stradling Yocca Carlson & Rauth, LLP.

LITIGATION

To the best knowledge of the City, there is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, municipal or other governmental authority pending and notice of which has been served on and received by the City or, to the knowledge of the City, threatened against or affecting the City or the assets, properties or operations of the City which, if determined adversely to the City or its interests, would have a material and adverse effect upon the consummation of the transactions contemplated by or the validity of the Lease Agreement, the Site Lease or the Indenture, or upon the financial condition, assets, properties or operations of the City, and the City is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other governmental authority, which default might have consequences that would materially adversely affect the consummation of the transactions contemplated by the Lease Agreement, the Site Lease or the Indenture, or the financial conditions, assets, properties or operations of the City, including but not limited to the payment and performance of the City's obligations under the Lease Agreement.

RATING

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("**S&P**"), has assigned its municipal bond rating of "___" to the 2024 Bonds.

This rating reflects only the views of S&P, and an explanation of the significance of this rating, and any outlook assigned to or associated with this rating, should be obtained from S&P.

Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. The City has provided certain additional information and materials to the rating agency (some of which does not appear in this Official Statement).

There is no assurance that this rating will continue for any given period of time or that this rating will not be revised downward or withdrawn entirely by the rating agency, if in the judgment of the rating agency, circumstances so warrant. Any such downward revision or withdrawal of any rating on the 2024 Bonds may have an adverse effect on the market price or marketability of the 2024 Bonds.

CONTINUING DISCLOSURE

The City (on behalf of the Authority and itself) will covenant for the benefit of owners of the 2024 Bonds to provide certain financial information and operating data relating to the City (the "**Annual Report**"), by not later than nine months after the end of the City's fiscal year (presently June 30) and commencing April 1, 2025, with the report for the fiscal year ending June 30, 2024, 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), as amended (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 — FORM OF CONTINUING DISCLOSURE CERTIFICATE."

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 2019-20, 2020-21, 2021-22, and 2022-23 were filed up to 34 days late, and certain operating and financial data for Fiscal Years 2018-19, 2019-20, and 2020-21 were filed up to 43 days late.

The City has engaged Goodwin Consulting Group, Inc., 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.

UNDERWRITING

The 2024 Bonds are being purchased by Piper Sandler & Co. (the "**Underwriter**"), at a purchase price of $_____ (which represents the aggregate principal amount of the 2024 Bonds ($_____), plus an original issue premium/less an original issue discount of $_____, less an Underwriter's discount of $_____).

The purchase agreement relating to the 2024 Bonds provides that the Underwriter will purchase all of the 2024 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 2024 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.

Piper Sandler & Co. has entered into a distribution agreement with Charles Schwab & Co., Inc. ("**CS&Co.**") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to the agreement, CS&Co. will purchase the 2024 Bonds from Piper Sandler & Co. at the original issue price less a negotiated portion of the selling concession applicable to any 2024 Bonds that CS&Co. sells.

MUNICIPAL ADVISOR

The Authority has retained CSG Advisors Incorporated, San Francisco, California, as Municipal Advisor for the sale of the 2024 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 2024 Bonds, fees or compensation payable to certain professionals are contingent upon the issuance and delivery of the 2024 Bonds. Those professionals include:

- the Underwriter;
- Jones Hall, A Professional Law Corporation, as Bond Counsel and Disclosure Counsel;
- Stradling Yocca Carlson & Rauth, LLP, as Underwriter's Counsel;
- A portion of the fees of CSG Advisors Incorporated, as municipal advisor; and
- U.S. Bank Trust Company, National Association, as Trustee.

EXECUTION

The execution of this Official Statement and its delivery have been authorized by the Board of the Authority and the City Council of the City.

TRACY PUBLIC FINANCING AUTHORITY

By: _____
Chair

CITY OF TRACY

By: _____
Finance Director

APPENDIX A

GENERAL INFORMATION ABOUT THE CITY OF TRACY AND THE COUNTY OF SAN JOAQUIN

*The following information concerning the City of Tracy (the **"City"**) and the County of San Joaquin (the **"County"**) is included only for the purpose of supplying general information regarding the area of the City. The 2024 Bonds are not a debt of the City, the County, the State of California (the "**State**") or any of its political subdivisions (other than the Authority), and none of the City, the County, the State or any of its political subdivisions (other than the Authority) 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 2020 through 2024 as of January 1

Calendar Year	City of Tracy	San Joaquin County	State of California
2020	92,959	779,233	39,538,223
2021	93,774	780,320	39,327,868
2022	94,774	782,163	39,114,785
2023	95,341	783,903	39,061,058
2024	96,609	791,408	39,128,162

Source: State Department of Finance.

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 San Joaquin County was 7.1 percent in March 2024, down from a revised 7.7 percent in February 2024, and above the year-ago estimate of 6.5 percent. This compares with an unadjusted unemployment rate of 5.3 percent for California and 3.9 percent for the nation during the same period.

Set forth below is data from calendar years 2019 to 2023 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 2019 through 2023
(March 2023 Benchmark)

	2019	2020	2021	2022	2023
Civilian Labor Force [1]	326,600	334,800	336,100	342,200	346,800
Employment	307,100	296,300	307,300	323,900	325,100
Unemployment	19,500	38,400	28,900	18,300	21,600
Unemployment Rate	6.0%	11.5%	8.6%	5.3%	6.2%
Wage and Salary Employment: [2]					
Agriculture	15,400	14,600	14,200	13,800	14,100
Mining and Logging	100	100	100	0	0
Construction	13,100	13,000	13,900	14,900	13,900
Manufacturing	20,500	20,100	21,300	23,000	23,500
Wholesale Trade	11,700	10,600	10,800	11,600	12,300
Retail Trade	26,200	24,600	26,200	27,000	27,200
Transportation, Warehousing and Utilities	31,300	38,800	43,000	48,100	46,800
Information	1,600	1,200	1,200	1,200	1,100
Financial Activities	7,900	7,800	8,000	8,200	8,000
Professional and Business Services	20,200	21,300	22,500	24,100	23,700
Educational and Health Services	39,100	37,300	38,000	39,800	42,200
Leisure and Hospitality	22,600	18,500	21,300	24,300	24,600
Other Services	7,800	6,800	7,300	7,900	8,200
Federal Government	3,200	3,300	3,100	3,100	3,000
State Government	6,800	6,800	6,000	5,500	5,100
Local Government	34,900	33,000	32,900	34,000	35,200
Total All Industries [3]	262,400	257,700	269,800	286,300	288,900

(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 May 2024.

SAN JOAQUIN COUNTY
Major Employers
As of May 2024

Employer Name	Location	Industry
Amazon Fulfillment Ctr	Stockton	Mail Order Fulfillment Service
Ashley Lane LP	Stockton	Real Estate
Blue Shield of California	Lodi	Insurance
Dameron Hospital	Stockton	Hospitals
Foster Care Svc	Stockton	Government Offices-County
Leprino Foods Co	Tracy	Cheese Processors (mfrs)
Lodi Health Home Health Agency	Lodi	Home Health Service
M & R Co	Lodi	Fruits & Vegetables-Growers & Shippers
Medline	Tracy	Physicians & Surgeons Equip & Supls-Whls
NA Chaderjian Youth	Stockton	State Govt-Correctional Institutions
O-G Packing & Cold Storage Co	Stockton	Fruits & Vegetables-Growers & Shippers
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	Health Services
Stockton Police Dept	Stockton	Police Departments
Stockton Unified Sch Dist	Stockton	Facilities Management
Stockton Unified School Dist	Stockton	Schools
Walmart Supercenter	Stockton	Department Stores
Waste Management-Lodi Transfer	Lodi	Solid Waste Collection

Source: State of California Employment Development Department, extracted from The America's Labor Market Information System (ALMIS) Employer Database, 2024 2nd Edition.

The following table lists the twenty principal employers within the City, by number of employees, as of June 30, 2023.

CITY OF TRACY
Principal Employers
As of June 30, 2023

Employer Name	Number of Employees
Amazon – Multiple Sites	5,841
FedEx Ground Package System, Inc.	1,589
Tracy Unified School District	1,234
Taylor Farms Pacific Inc	727
Medline Industries	700
Sutter Tracy Community Hospital	578
City of Tracy	485
Walmart Supercenter	389
Leprino Foods*	341
The Home Depot (#5641)	320

* Did not respond to survey. Figure reflects prior year data.
Source: City of Tracy Annual Comprehensive Financial Report for fiscal year ended June 30, 2023.

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 2023 in the City were $4,633,796,156, a 4.65% increase over the total taxable sales of $4,427,963,057 reported during the first three quarters of calendar year 2022.

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
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
2022	1,251	4,289,057	2,128	6,088,638
2023	1,262	4,885,893	2,124	6,588,906

Source: State Department of Tax and Fee Administration.

Total taxable sales during the first three quarters of calendar year 2023 in the County were $16,910,383,113, a 2.73% decrease over the total taxable sales of $17,385,516,538 reported during the first three quarters of calendar year 2022.

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
2019	9,978	$9,058,063	16,144	$14,311,068
2020	11,188	10,122,979	18,358	15,609,880
2021	10,642	15,153,915	17,665	22,306,576
2022	10,884	15,321,466	18,100	23,424,941
2023	10,632	15,486,406	17,666	23,169,139

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 2020 through 2024.

CITY OF TRACY AND SAN JOAQUIN COUNTY
Median Household Effective Buying Income
2020 through 2024

	2020	2021	2022	2023	2024
City of Tracy	$76,142	$78,492	$89,938	$90,240	$98,733
San Joaquin County	58,141	59,914	68,971	68,912	76,847
California	65,870	67,956	77,058	77,175	80,973
United States	55,303	56,790	64,448	65,326	67,876

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 2018 through 2022
(Dollars in Thousands)

	2018	2019	2020	2021	2022
Permit Valuation					
New Single-family	$214,928.9	$223,795.2	$239,658.3	$244,205.8	$213,664.4
New Multi-family	84,832.3	0.0	0.0	945.7	3,015.3
Res. Alterations/Additions	6,058.5	9,178.8	4,504.7	4,558.9	5,413.8
Total Residential	$305,819.7	$232,974.0	$244,163.0	$249,710.4	$222,093.5
New Commercial	$331,633.7	189,205.1	168,307.4	$105,916.9	$122,513.0
New Industrial	74,814.4	13,881.6	526,301.0	60.8	0.0
New Other	8,265.5	7,006.5	4,828.5	9,099.3	13,843.7
Com. Alterations/Additions	60,479.7	60,676.8	62,904.6	80,618.6	84,684.1
Total Nonresidential	$475,193.3	$270,770.0	$762,341.5	$195,695.6	$221,040.8
New Dwelling Units					
Single Family	534	551	692	670	502
Multiple Family	507	0	0	2	23
TOTAL	1,041	551	692	672	525

Source: Construction Industry Research Board, Building Permit Summary.

SAN JOAQUIN COUNTY
Building Permit Activity
For Calendar Years 2018 through 2022
(Dollars in Thousands)

	2018	2019	2020	2021	2022
Permit Valuation					
New Single-family	$883,071.1	$843,700.9	$870,859.6	$1,179,358.0	$1,281,631.4
New Multi-family	99,601.4	57,271.1	38,411.8	69,775.2	88,457.7
Res. Alterations/Additions	95,073.4	98,681.9	40,144.4	108,647.1	182,338.5
Total Residential	$1,077,745.9	$999,653.9	$949,415.8	$1,357,780.3	$1,552,427.6
New Commercial	$498,359.0	$380,383.3	$255,761.2	$272,617.0	$641,696.7
New Industrial	240,073.7	120,003.8	534,199.5	43,401.3	249,724.2
New Other	31,904.4	61,991.7	33,112.3	58,264.9	107,863.0
Com. Alterations/Additions	249,142.4	363,840.9	135,285.4	272,064.7	450,649.8
Total Nonresidential	$1,019,479.5	$926,219.7	$958,358.4	$646,347.9	$1,449,933.7
New Dwelling Units					
Single Family	2,765	2,564	2,843	3,665	3,168
Multiple Family	293	461	245	178	338
TOTAL	3,358	3,025	3,088	3,843	3,506

Source: Construction Industry Research Board, Building Permit Summary.

APPENDIX B

SUMMARY OF PRINCIPAL LEGAL DOCUMENTS

APPENDIX C

FISCAL YEAR 2022-23 ANNUAL COMPREHENSIVE FINANCIAL REPORT

APPENDIX D

PROPOSED FORM OF OPINION OF BOND COUNSEL

June __, 2024

Tracy Public Financing Authority
333 Civic Center Plaza
Tracy, California 95376

City of Tracy
333 Civic Center Plaza
Tracy, California 95376

OPINION: $_____ Tracy Public Financing Authority Lease Revenue Bonds, Series 2024A (Multi-Generational Recreation Center Project)

Members of the Board of Directors and City Council:

We have acted as bond counsel to the Tracy Public Financing Authority (the "Authority") and the City of Tracy (the "City") in connection with the issuance by the Authority of the lease revenue bonds captioned above, dated the date hereof (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 Article 4 of Chapter 5, Division 7, Title 1 of the Government Code of the State of California, the Indenture of Trust, dated as of June 1, 2024 (the "Indenture"), by and between the Authority and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), and a resolution (the "Resolution") of the Board of Directors of the Authority adopted on January 16, 2024.

Under the Indenture, the Authority has pledged certain revenues (the "Revenues") for the payment of principal, premium (if any), and interest on the Bonds when due, including lease payments made by the City under a Lease Agreement dated as of June 1, 2024 (the "Lease Agreement") between the Authority and the City.

Regarding questions of fact material to our opinion, we have relied on representations of the Authority contained in the Indenture and the City contained in the Lease 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 Authority is a duly created and validly existing joint exercise of powers authority with the power to adopt the Resolution, enter into the Indenture and the Lease Agreement, perform the agreements on its part contained therein, and issue the Bonds.

2. The City is a duly created and validly existing municipal corporation and general law city with the power to enter into the Lease Agreement and perform the agreements on its part contained therein.

3. The Indenture has been duly authorized, executed and delivered by the Authority, and constitutes a valid and binding obligation of the Authority, enforceable against the Authority.

4. The Lease Agreement has been duly authorized, executed and delivered by the Authority and the City, and constitutes a valid and binding obligation of the Authority and the City, enforceable against the Authority and the City.

5. The Indenture creates a valid lien on the Revenues and other funds pledged by the Indenture for the security of the Bonds on a parity basis with other bonds (if any) issued or to be issued in accordance with the Indenture.

6. The Bonds have been duly authorized and executed by the Authority, and are valid and binding limited obligations of the Authority, payable solely from the Revenues and other funds provided therefor in the Indenture.

7. 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 sentence are subject to the condition that the Authority and 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 Authority and the City have made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with 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. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

8. 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 Indenture 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 E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

$_____
TRACY PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS, SERIES 2024A
(MULTI-GENERATIONAL RECREATION CENTER PROJECT)

This Continuing Disclosure Certificate (this "Disclosure Certificate") is executed and delivered by the City of Tracy (the "City") in connection with the issuance by the Tracy Public Financing Authority (the "Authority") of the bonds captioned above (the "Bonds"). The Bonds are being issued under an Indenture of Trust dated as of June 1, 2024 (the "Indenture"), by and between the Authority and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"). 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 on behalf of itself and the Authority for the benefit of the holders and beneficial owners of the 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 Indenture, 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 nine months after the end of the City's fiscal year (currently April 1, based on the City's fiscal year-end of June 30).

"*Dissemination Agent*" means, initially, Goodwin Consulting Group, Inc., and any successor Dissemination Agent designated in writing by the City and which has filed with the City 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, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

"*Official Statement*" means the final official statement dated _____, 2024, executed by the City and the Authority in connection with the issuance of the Bonds.

"*Participating Underwriter*" means Piper Sandler & Co., the original purchaser of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"*Rule*" means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same 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 April 1, 2025, with the report for the 2023-24 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. 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 15 Business Days prior to 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). The City shall provide a written general fund with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the City hereunder.

(b) If the City does not provide (or cause the Dissemination Agent to provide) an Annual Report by the Annual Report Date, the City shall provide (or cause the Dissemination Agent to provide) a notice to the MSRB, in an electronic format as prescribed by the MSRB.

(c) With respect to each Annual Report, 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 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:

(a) *Financial Statements*. Audited financial statements of the City for the preceding fiscal year, prepared in accordance generally accepted accounting principles. If the City's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) *Other Annual Information*. To the extent not included in the audited final statements of the City, the Annual Report shall also include financial and operating data with respect to the City for preceding fiscal year, substantially similar to that provided in the corresponding tables and charts in the Official Statement, as follows:

(i) the principal amount of Bonds outstanding as of June 30 preceding the filing of the Annual Report;

(ii) the balance in each fund under the Indenture as of June 30 preceding the filing of the Annual Report; and

(iii) updates as of June 30 preceding the filing of the Annual Report of the substance of the information contained in following tables in the Official Statement:

(1) Statement of General Fund Revenues, Expenditures and Changes in Fund Balance, substantially in the form of Table 4 in the Official Statement;

(2) Assessed Value of Taxable Property, substantially in the form of Table 6 in the Official Statement;

(3) Principal Property Tax Payers, substantially in the form of Table 7 in the Official Statement; and

(4) Major Tax Revenues by Source — General Fund, substantially in the form of Table 5 in the Official Statement.

(c) *Cross References*. 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 through the MSRB. The City shall clearly identify each such other document so included by reference. If the document included by reference is a final official statement, it must be available from the MSRB.

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 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 Bonds, or other material events affecting the tax status of the 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 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 Bonds. If such termination occurs prior to the final maturity of the 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 the City. Any Dissemination Agent may resign by providing 30 days' written notice to the City.

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 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 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 Bonds in the manner provided in the Indenture for amendments to the Indenture 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 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 any amendment made pursuant to this Section 9 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 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 Indenture, 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.

(a) 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 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 Bonds.

(b) The Dissemination Agent shall be paid compensation by the City for its services provided hereunder in accordance with its schedule of fees as amended from time to time, and

shall be reimbursed for all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder.

Section 13. Notices. Any notice or communications to be among any of the parties to this Disclosure Certificate may be given as follows:

If to the Authority or the City:	City of Tracy 333 City Center Plaza Tracy, California 95376 Attention: Finance Director

Any person may, by written notice to the other persons listed above, designate a different address 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 Dissemination Agent, the Participating Underwriter and holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

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.

Date: _____, 2024

CITY OF TRACY

By: _____
Sara Cowell,
Finance Director

AGREED AND ACCEPTED:
Goodwin Consulting Group, Inc.,
as Dissemination Agent

By: _____
Name: _____
Title: _____

APPENDIX F

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 Bonds to DTC Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in the Bonds 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 Authority (the "Issuer") nor the Trustee (the "Agent") take 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 Bonds, (b) certificates representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, 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 and www.dtc.org. *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. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to the Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to the Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to the Agent's DTC account.

10. 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.

11. 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.

12. 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.

APPROVED AS TO FORM AND LEGALITY

_____

CITY ATTORNEY'S OFFICE

TRACY CITY COUNCIL

RESOLUTION NO. ____

APPROVING DOCUMENTS AND ACTIONS RELATED TO THE ISSUANCE AND SALE OF LEASE REVENUE BONDS IN THE AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING $60,000,000 BY THE TRACY PUBLIC FINANCING AUTHORITY TO PROVIDE FINANCING FOR THE ACQUISITION AND CONSTRUCTION OF THE MULTI-GENERATIONAL RECREATION CENTER, IMPROVEMENTS TO EL PESCADERO PARK AND RELATED PUBLIC IMPROVEMENTS

WHEREAS, the City of Tracy (the "City") seeks to finance the acquisition and construction of a multi-generational recreation center in El Pescadero Park, improvements to El Pescadero Park and related public improvements (the "Project"); and

WHEREAS, the City and the Tracy Industrial Development Authority (the "Industrial Development Authority") are parties to a First Amended and Restated Joint Powers Agreement, dated as of October 17, 2018 (the "Joint Powers Agreement"), pursuant to which the Tracy Public Financing Authority (the "Authority") was established as a joint exercise of powers authority under the Joint Exercise of Powers Act (Government Code §6500 et seq.) (the "Joint Powers Law") for the purpose of providing assistance to the City and the Industrial Development Authority with their financing programs, and for any other purposes authorized under Article 4 of the Joint Powers Law (the "Bond Law"); and

WHEREAS, in order to provide financing for the Project, the City Council, after holding a duly noticed public hearing on January 16, 2024, adopted its Resolution No. 2024-006, pursuant to which it (i) made certain findings and disclosures required by applicable law, (ii) approved the issuance and sale to Piper Sandler & Co. (the "Underwriter") in a negotiated underwriting of lease revenue bonds (the "Bonds") in the maximum principal amount of $60,000,000 to be payable from lease payments made by the City for certain land and improvements, which may initially consist of a combination of the real property and improvements constituting El Pescadero Park (including the multi-generational recreation center), City Hall complex, and one or more City fire stations (the "Leased Property") and (iii) directed the Finance Director and the City Attorney to work with the City's financing team to prepare the agreements and other documents required for the issuance and sale of the Bonds, and to return for Council approval of such agreements and documents at a subsequent meeting; and

WHEREAS, the Finance Director and the City Attorney have worked with the City's financing team to prepare the necessary agreements and other documents, including a form of preliminary Official Statement to be distributed in connection with the marketing of the Bonds, and the Council, with the aid of its staff, has reviewed the preliminary Official Statement to assure proper disclosure of all material facts relating to the Bonds that are in the personal knowledge of the members of the Council and the City staff; and 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: The City Council hereby finds that the fair rental value of the Leased Property is equal to or greater than the Lease Payments to be paid by the City under the Lease; and be it further

RESOLVED: The Council hereby approves each of the following agreements required for the issuance and sale of the Bonds, in substantially the respective forms on file with the City Clerk together with any changes therein or additions thereto deemed advisable by the Mayor and City Manager or such other official of the City as may be designated by the City Manager (each, an "Authorized Officer"):

- Site Lease, between the City as lessor and the Authority as lessee, under which the City leases the Leased Property to the Authority in consideration of the payment of an amount which will be applied by the Authority to finance the Project;

- Lease Agreement, between the Authority as lessor and the City as lessee, under which the Authority leases the Leased Property back to the City and the City agrees to pay semiannual lease payments which are sufficient to provide revenues with which to pay principal of and interest on the Bonds when due;

- Bond Purchase Agreement, among the City, the Authority and the Underwriter, which establishes the terms under which the Underwriter will purchase the Bonds from the Authority; and

- Continuing Disclosure Certificate, to be executed by the City for the purpose of providing continuing disclosure to owners of the Bonds; and be it further

RESOLVED: The Council hereby authorizes and directs each Authorized Officer, acting alone, to execute, and the City Clerk to attest, if applicable, the final form of each such agreement; and be it further

RESOLVED: The Council hereby determines that execution of the agreements by an Authorized Officer shall be conclusive evidence of the approval of any changes or additions deemed advisable by an Authorized Officer; and be it further

RESOLVED: The Council hereby authorizes the delivery and performance of each of such agreements; and be it further

RESOLVED: The Council hereby approves the preliminary Official Statement describing the Bonds in substantially the form on file with the City Clerk; and be it further

RESOLVED: An Authorized Officer is hereby authorized and directed to approve any changes in or additions to the preliminary Official Statement and to execute an appropriate certificate stating the Authorized Officer's determination that the preliminary Official Statement (together with any changes therein or additions thereto) has been deemed final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934; and be it further

RESOLVED: The Council hereby approves distribution of the preliminary Official Statement by the Underwriter; and be it further

RESOLVED: The Council hereby authorizes and directs an Authorized Officer to approve any changes in or additions to a final form of said Official Statement, and the execution thereof by the Authorized Officer shall be conclusive evidence of approval of any such changes and additions; and be it further

RESOLVED: The Council hereby authorizes the distribution of the final Official Statement by the Underwriter and execution of such final Official Statement on behalf of the City by an Authorized Officer; and be it further

RESOLVED: The Authorized Officers, the City Clerk and all other officers of the City are each authorized and directed on behalf of the City to make any and all leases, assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance or termination, warrants and other documents, which they or any of them deem necessary or appropriate in order to consummate any of the transactions contemplated by the agreements and documents approved under this Resolution, including any agreements required to purchase a debt service reserve fund insurance policy or a municipal bond insurance policy; and be it further

RESOLVED: The Council hereby authorizes an Authorized Officer to revise the identity of the Leased Property as necessary in order to accomplish the purposes of this Resolution; 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 2024-_____ was adopted by the Tracy City Council on _____, 2024, 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 PUBLIC FINANCING AUTHORITY

RESOLUTION NO. ____

APPROVING DOCUMENTS AND ACTIONS RELATED TO THE ISSUANCE AND SALE OF LEASE REVENUE BONDS TO PROVIDE FINANCING FOR THE ACQUISITION AND CONSTRUCTION OF THE MULTI-GENERATIONAL RECREATION CENTER, IMPROVEMENTS TO EL PESCADERO PARK AND RELATED PUBLIC IMPROVEMENTS

WHEREAS, the City of Tracy (the "City") seeks to finance the acquisition and construction of a multi-generational recreation center in El Pescadero Park, improvements to El Pescadero Park and related public improvements (the "Project"); and

WHEREAS, the City and the Tracy Industrial Development Authority (the "Industrial Development Authority") are parties to a First Amended and Restated Joint Powers Agreement, dated as of October 17, 2018 (the "Joint Powers Agreement"), pursuant to which the Tracy Public Financing Authority (the "Authority") was established as a joint exercise of powers authority under the Joint Exercise of Powers Act (Government Code §6500 et seq.) (the "Joint Powers Law") for the purpose of providing assistance to the City and the Industrial Development Authority with their financing programs, and for any other purposes authorized under Article 4 of the Joint Powers Law (the "Bond Law"); and

WHEREAS, in order to provide financing for the Project, the City Council, after holding a duly noticed public hearing on January 16, 2024, adopted its Resolution No. __, pursuant to which it (i) made certain findings and disclosures required by applicable law, (ii) approved the issuance and sale to Piper Sandler & Co. (the "Underwriter") in a negotiated underwriting of lease revenue bonds (the "Bonds") in the maximum principal amount of $60,000,000 to be payable from lease payments made by the City for certain land and improvements, which may initially consist of a combination of the real property and improvements constituting El Pescadero Park (including the multi-generational recreation center), the City Hall complex, and one or more City fire stations (the "Leased Property") and (iii) directed the Finance Director and the City Attorney to work with the City's financing team to prepare the agreements and other documents required for the issuance and sale of the Bonds, and to return for Council approval of such agreements and documents at a subsequent meeting; and

WHEREAS, also on January 16, 2024, the Board of Directors at a regular meeting of the Authority adopted its Resolution. No. TPFA 2024-001, pursuant to which it authorized the issuance of the Bonds under the Bond Law in the maximum principal

amount of $60,000,000, for the purpose of providing funds to finance the Project and directed the Treasurer and General Counsel to work with the City's financing team to prepare the agreements and other documents required for the issuance and sale of the Bonds, and to return for Authority approval of such agreements and documents at a subsequent meeting; and

WHEREAS, the Treasurer and General Counsel have worked with the City's financing team to prepare the necessary agreements and other documents, including a form of preliminary Official Statement to be distributed in connection with the marketing of the Bonds; and

WHEREAS, the Authority wishes at this time to approve the agreements and actions required to issue and sell the Bonds; now, therefore, be it

RESOLVED: That the foregoing recitals are true and correct and the Authority hereby so finds and determines; and be it further

RESOLVED: The Authority hereby approves each of the following agreements required for the issuance and sale of the Bonds, in substantially the respective forms on file with the Secretary together with any changes therein or additions thereto deemed advisable by the Chair, Vice-Chair, Executive Director, Treasurer, Auditor or General Counsel of the Authority, or an authorized representative or designee thereof (each, an "Authorized Officer"):

- Indenture of Trust, between the Authority and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), setting forth the terms and provisions relating to the Bonds;

- Site Lease, between the City as lessor and the Authority as lessee, under which the City leases the Leased Property to the Authority in consideration of the payment of an amount which will be applied by the Authority to finance the Project;

- Lease Agreement, between the Authority as lessor and the City as lessee, under which the Authority leases the Leased Property back to the City and the City agrees to pay semiannual lease payments which are sufficient to provide revenues with which to pay principal of and interest on the Bonds when due;

- Bond Purchase Agreement, among the City, the Authority and the Underwriter, which establishes the terms under which the Underwriter will purchase the Bonds from the Authority;

- Assignment Agreement, between the Authority and the Trustee, whereby the Authority assigns certain of its rights under the Lease Agreement to the Trustee for the benefit of the Bond owners and be it further

RESOLVED: The Authority hereby authorizes and directs an Authorized Officer for and on behalf of the Authority to execute, and the Secretary to attest, the final form of each such agreement; and be it further

RESOLVED: The Authority hereby determines that execution of the agreements by an Authorized Officer, acting alone, shall be conclusive evidence of the approval of any such changes or additions; and be it further

RESOLVED: The Authority hereby authorizes the delivery and performance of each of the foregoing agreements; and be it further

RESOLVED: The Authority hereby approves the preliminary Official Statement describing the Bonds in substantially the form on file with the Secretary; and be it further

RESOLVED: The Authority hereby authorizes and directs an Authorized Officer to approve any change in or additions to said preliminary Official Statement and to execute an appropriate certificate stating the Authorized Officer's determination that the preliminary Official Statement (together with any changes therein or additions thereto) has been deemed final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934; and be it further

RESOLVED: The Authority hereby approves the distribution of the preliminary Official Statement by the Underwriter; and be it further

RESOLVED: The Authority hereby authorizes and directs an Authorized Officer to approve any changes in or additions to a final form of said Official Statement, and the execution thereof by the Authorized Officer shall be conclusive evidence of approval of any such changes and additions; and be it further

RESOLVED: The Authority hereby authorizes the distribution of the final Official Statement by the underwriter, and authorizes and directs an Authorized Officer to execute the Official Statement; and be it further

RESOLVED: The Authority hereby authorizes and directs an Authorized Officer, on behalf of the Authority, to make any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance and other documents, which they or any of them deem necessary or appropriate in order to consummate any of the transactions contemplated by the agreements and documents approved under this Resolution, including any agreements required to purchase a debt service reserve fund insurance policy or a municipal bond insurance policy; and be it further

RESOLVED: The Authority hereby authorizes an Authorized Officer to revise the identity of the Leased Property as necessary in order to accomplish the purposes of this Resolution; and be it further

RESOLVED: The Authority hereby authorizes a designee of an Authorized Officer to take any actions authorized 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 _____ was adopted by the Board of Directors of the Tracy Public Financing Authority on the _____ day of ____, 2024, by the following vote:

AYES:	BOARD MEMBERS:
NOES:	BOARD MEMBERS:
ABSENT:	BOARD MEMBERS:
ABSTENTION:	BOARD MEMBERS:

_____
CHAIR

ATTEST:

_____
SECRETARY

May 21, 2024

Agenda Item 3.E

RECOMMENDATION

The Tracy Finance Committee recommends that the City Council Select, by motion, one or more of the following proposed amendments to Chapter 6.04 (Business Taxes) of the Tracy Municipal Code: reduction in gasoline sales tax rate; a raw material exemption for manufacturing; and an overall tax rate reduction of 25%.

EXECUTIVE SUMMARY

In November 2022, voters in the City of Tracy approved initiative Measure B which adopts an updated Business Tax structure based upon gross receipts. Measure B took effect July 1, 2023. At the City Council's request, staff provided an update to the Tracy Finance Committee (Committee) on the impacts of the new tax structure and potential options to reduce impacts to Tracy businesses. On April 3, 2024, staff conducted a Finance Committee workshop to discuss various options and on April 29, 2024, the Committee made a recommendation to the City Council for specific amendments to Chapter 6.04 (Business Taxes) of the Tracy Municipal Code.

BACKGROUND AND LEGISLATIVE HISTORY

Business Tax is an annual tax charged to businesses operating in the City, for the purpose of contributing revenue to the City's General Fund in support of essential services, such as public safety, streets maintenance, and recreation programs.

In March 2020, the City Council formed the Ad-Hoc Committee for fiscal sustainability (which now has become the standing Finance Committee of the City Council). The committee was formed with the intention of providing guidance to develop short and long-term fiscal sustainability strategies. During this time, the City was facing a budget deficit. One of the recommendations from the committee was to review the structure of the City's Business Tax. The City's Business Tax structure was based upon the number of employees, had a cap of $2,018 and had remained unchanged since 1984.

In March 2022, the City Council directed staff to proceed with placing a tax measure on the November 2022 ballot. Staff worked to develop a tax structure that was more equitable amongst small and large businesses. In the process of determining the proposed tax rates, staff partnered with HDL Companies to analyze the rates of cities similar in size and close in proximity to Tracy. The proposed tax rates were broken into business categories, with the lower tax rates associated with businesses with a smaller margin for profit and with a higher rate of tax associated for businesses with a larger margin for profit.

The updated Business Tax structure was aimed to bring a proportionate tax amongst small and large businesses and to give Tracy control over local funds, providing resources for community priorities including public safety, recreational programs, and economic development.

In June 2022, the City Council approved the structure to be placed on the November 2022

ballot, as Measure B. The ballot measure, as written below, was approved by voters in November 2022.

Official Measure B Ballot Language

To ensure large businesses pay a proportionate share and provide funding for City services such as: repairing potholes/streets; keeping public areas healthy/safe/clean; maintaining neighborhood police patrols/9-1-1 emergency response/fire protection; supporting our economy/ general government use, shall the ordinance to update the City of Tracy business taxes be adopted with typical rates between 0.1% and 0.3% of gross receipts as described in the ordinance, providing an additional $3,200,000 annually, until ended by voters?

The new tax structure took effect on July 1, 2023 (Tracy Municipal Code Chapter 6.04). Under the new tax structure, the first $500,000 of a business's gross receipts pays a flat $50. Any gross receipts above $500,000 pay a percentage of gross receipts. The percentage applied to gross receipts over $500,000 ranges from $0.001 to $0.003, or $1 to $3 for every $1,000 in gross receipts, dependent upon the category of business.

Cities have moved to using gross receipts as the method used for calculating Business Tax, pursuant to Government Code Section 37101, which allows for such taxes to be levied. While many cities used employee count as the basis for calculating the tax due, this methodology has been something that most cities have moved away from, as it is often perceived as a tax on jobs. Under Government Code section 37101(b), any city imposing a Business Tax must "levy the tax so that the measure of tax fairly reflects that proportion of the taxed activity actually carried on within the taxing jurisdiction." The use of gross receipts best meets this State law requirement and allows for a proportional way to collect tax, adjusting as the economy does.

Business Rate Categories	Minimum Fee	Business Rate Categories
GENERAL BUSINESS	$50 Flat Rate Annually (First $500K of GR)	0.001 X Gross Receipts
MANUFACTURING, WAREHOUSING, WHOLESALING		0.0015 X Gross Receipts
CONTRACTOR/SERVICE		0.002 X Gross Receipts
PROFESSIONALS/RENTAL		0.003 X Gross Receipts

The voter approved Measure B tax structure has four categories of businesses:

1) General Business, which includes retail, gas stations, restaurants, and auto sales.
2) Manufacturing, Warehouse, and Wholesale.
3) Contractors and Services, which includes construction, auto repair, janitorial services, salons, and other trades.
4) Professional and Rentals, which includes medical and dental offices, real estate, and attorneys.

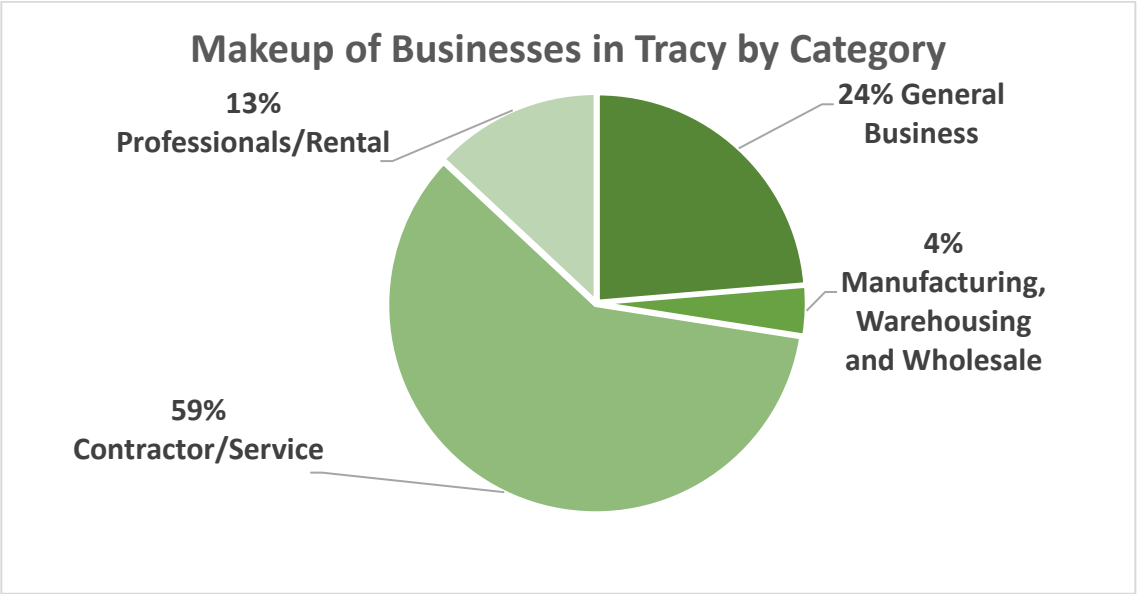
The creation of the categories and their corresponding tax rate was based upon the profit margins associated with each category. Retail sales and general business have the lowest tax rate, as those industries tend to have a lower margin of profit.

The above categories and related tax rates are codified in Chapter 6.04 (Business Taxes) of the Tracy Municipal Code (TMC).

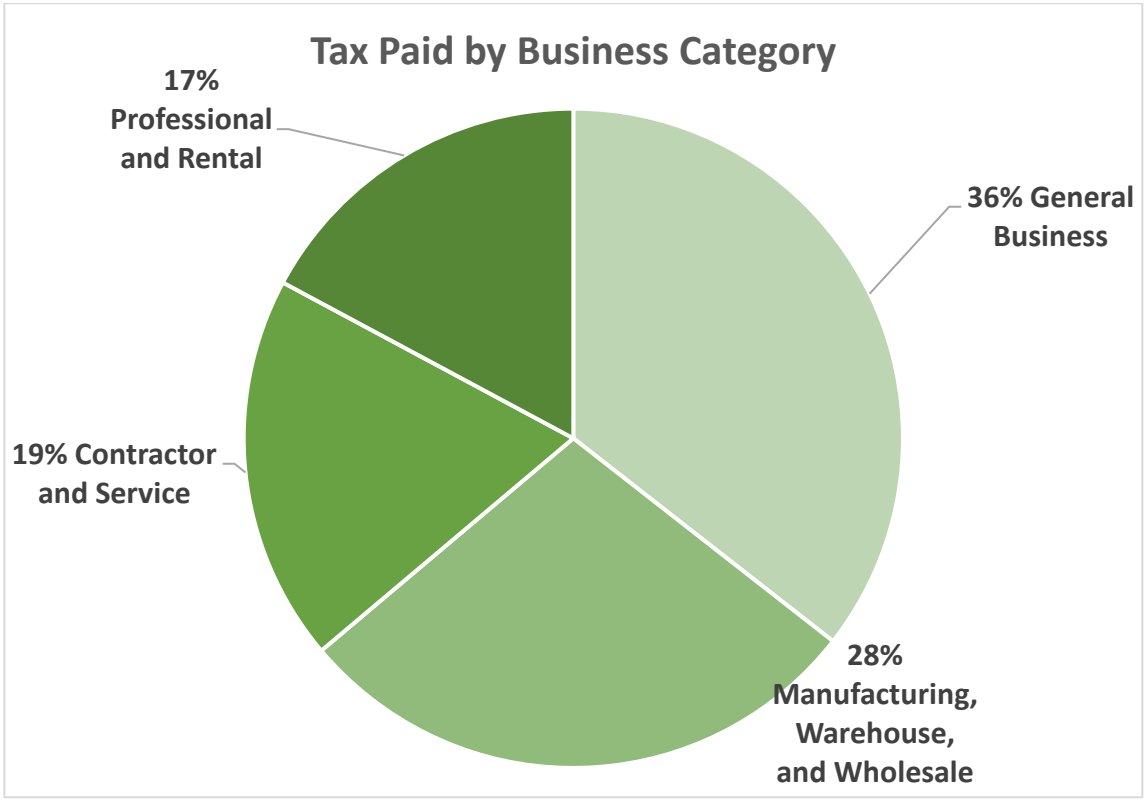
ANALYSIS

The revised Business Tax structure became effective on July 1, 2023. Some businesses expressed concerns about their new tax rates. The concerns tended to be specific to a few industries within Tracy, industries that saw an increase in the amount tax paid. In response, the City Council requested that the Finance Committee receive updates on the new Business Tax structure, its impacts on the Tracy business community, and options the City Council may have minimizing these impacts. The first update was conducted on October 23, 2023, followed by a workshop on April 3, 2024 and a meeting on April 29, 2024 in which the Committee made a recommendation to the City Council.

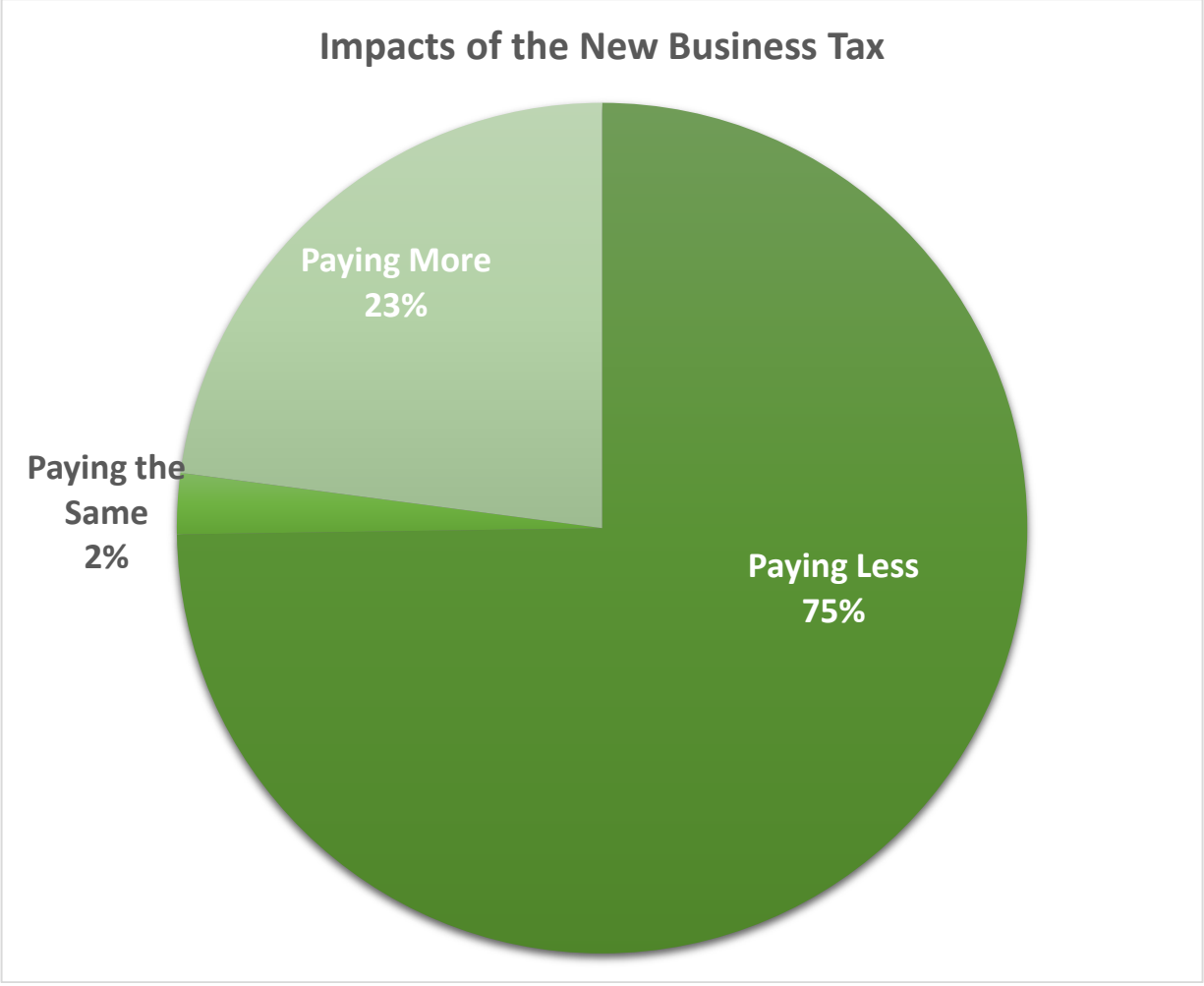
The chart below depicts the makeup of businesses in Tracy by category. The majority of businesses operating in Tracy are in the Contractor and Services category being retail.



In reviewing the amount of tax paid by category, the General Business category contributes the largest amount of tax. While the General Business category pays the lowest tax rate of all four categories, it is likely the largest contributor due to many of the businesses in this category.



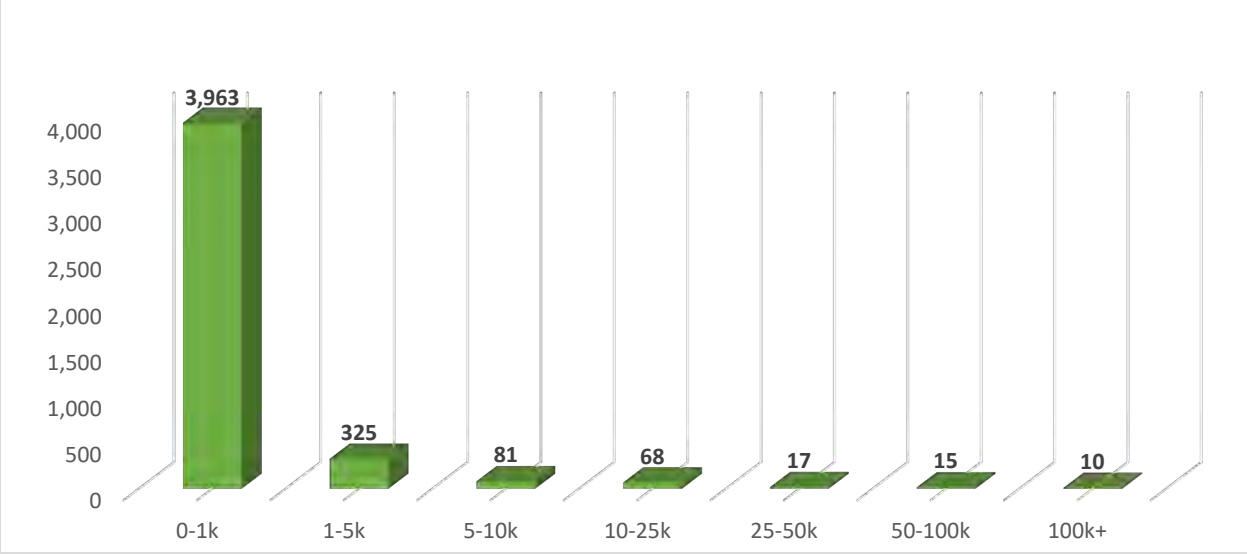
The prior Business Tax structure had a maximum tax of $2,018 annually. Initial analysis of the tax measure projected that 80% of businesses would see a reduction in the amount of Business Tax paid to the City. Upon implementation of the new tax structure, 75% of businesses renewing their license saw the reduction in tax and 2% of businesses saw no change in the amount paid. 23% of the businesses in Tracy saw an increase in the amount of Business Tax paid. Of the businesses that saw an increase in the amount of tax paid, the average increase was found to be $7,825.



Further analysis finds that under the new Business Tax structure, the majority of businesses in Tracy are paying less than $1,000 annually to renew their business license. Because the structure of the new Business Tax has no maximum tax, there are currently 25 businesses in

Tracy with a tax bill larger than $50,000. The tax was aimed to create an equitable, proportional tax amongst Tracy businesses based on gross receipts; as opposed to a capped tax where smaller size businesses pay a large proportionate share of their income to that of relatively large businesses. The data indicates the new tax structure is allocating the tax proportionally.

Amount of Business Tax Paid in FY 2023-24



In reviewing the Business Tax structure of the cities closest to Tracy, most Cities have moved to a gross receipts-based structure. Some cities have a maximum tax, but many do not. It is important to note that each city may have other local taxes or industries contributing to its General Fund, such as a stronger tourism base resulting in additional Transit Occupancy Tax (TOT). Many cities with a lower tax structure have not made updates to their tax structure in 20-30 years and may soon be in the process of changing their tax similarly to the City. Among cities that have a gross receipts-based tax, Tracy is the only city that provides any exemption. The City currently exempts the first $500,000 of gross receipts to a flat $50 tax. Because of this, 75% of Tracy's businesses saw a reduction in the amount of tax paid and 2% of businesses paid the same amount of tax.

City Name	Population	Tax Type	Maximum Tax	Last Ordinance Revision
Tracy	98,601	Gross Receipts	No	2023
Modesto	214,221	Gross Receipts	No	1997
Stockton	307,000	Gross Receipts	No	2005
Livermore	86,493	Gross Receipts	No	2018
Pleasanton	9,800	Gross Receipts	No	2017
Manteca	81,592	Gross Receipts	$1,250	1990
Lathrop	23,284	Flat	$661	2002

Depicted below is an example of the tax that would be collected in each of the comparison cities by a business with $5 million dollars in gross receipts in each of the Business Tax categories.

Example - Businesses with $5,000,000 in Gross Receipts							
Type of Business	Tracy	Modesto	Stockton	Livermore	Pleasanton	Manteca	Lathrop
Retail or General Business	$4,550	$5,000	$4,500	$4,000	$1,750	$1,250	$661
Manufacturing/Wholesale	$6,800	$100	$1,250	$4,000	$1,750	$1,250	$661
Contractor/ Service	$9,050	$10,000	$2,500	$4,000	$1,750	$1,250	$661
Professional / Rentals	$13,550	$10,000	$10,000	$8,000	$1,750	$1,250	$661

Since the adoption of the updated Business Tax, the City has been able to support additional programs and services, such as two additional traffic enforcement Police Officers, two Maintenance Workers for roadway maintenance, increased purchasing of materials for roadway repairs, one Maintenance Worker for Parks Maintenance, one Cybersecurity Officer, and the addition of Economic Development staff and an Economic Development business incentive program.

The City Council requested that the Finance Committee receive an update on the Business Tax and discuss options that could potentially reduce the impact of the increase from the new tax structure that some businesses have faced. Staff presented an update to the Finance Committee on October 23, 2023 with options for a reduction in impact to businesses that will not require a new ballot measure to go back out to voters for approval. During that meeting, the Tracy Chamber of Commerce (Chamber) requested that the Committee not recommend any of the six options to Council and instead conduct a workshop on the Business Tax. The Committee action during the October 2023 meeting directed staff to return with a Finance Committee Workshop on the Business Tax.

Since the October 2023 Finance Committee meeting, staff has worked with the Chamber to conduct listening sessions with Tracy businesses that would allow staff to understand what changes the business community is looking to see in the Business Tax structure. During these meetings, the Chamber identified certain industries that were impacted, and the City has facilitated meetings with business managers from those impacted industries. Through those discussions, it was discovered that many of the gas stations within Tracy inadvertently included pass-through taxes such as sales tax and gas tax in their gross receipts calculation, resulting in an overpayment of their Business Tax. The City and their Business Tax consultant, HDL have been working directly with those businesses to correct their return and provide a credit or refund of their overpayment.

Through category audits, it was also identified that there are several businesses within Tracy that provide multiple services, crossing over more than one tax category, for example, a hair salon that sells retail products would report the gross receipts from professional services at the professional service tax rate and the retail sales in the general business category, which is a lower rate. The City and HDL continue their efforts to communicate with businesses that are believed to be due a credit or refund as a result of their business falling into multiple categories.

On March 22, 2024, the Chamber submitted a set of options for the Finance Committee's consideration to reduce the impact of the tax on local businesses. Within the options presented by the Chamber, there is also the request for the creation of two new categories: Cannabis and Gas Stations. The Chamber is requesting an additional category for cannabis businesses due to those businesses paying the City Cannabis tax and community benefit fee. There are currently two cannabis businesses in Tracy, with more expected to open within the next year. The second requested category creation is for gas stations. The request for a category specific to gas stations is due to the lower profit margin in fuel. Currently, cannabis businesses and gas stations are reporting in the retail/general business category, which is the lowest tax rate category.

On April 3, 2024 the Finance Committee conducted a workshop on Business Tax. The Committee heard six options submitted by the Chamber and six options submitted by staff. Upon the conclusion of the workshop, the committee recommended six options to return with further analysis completed by staff. Several of the options analyzed are industry specific adjustments aimed to make adjustments to the tax rate within industries that have been uniquely impacted by the tax.

Staff returned to the Committee on April 29, 2024, where the Committee made recommendations for Council consideration of specific options that reduce the impact of the Business Tax on certain business categories.

It is important to note that any reduction in tax paid by businesses in Tracy will result in a reduction in overall revenue to the City's General Fund, which is used to pay for essential services. Staff has estimated the fiscal impact associated with the option for tax reduction; however, it is important to note that the actual fiscal impact will vary, as businesses gross receipts vary from year to year and must be applied to all businesses within a business category. For example, all retail would receive the same tax structure which could potentially have large impacts upon the total revenue collection. The estimated fiscal impact stated is based upon the amount of gross receipts reported in the current fiscal year.

PROPOSED OPTIONS FOR REDUCTION OF TAXES

The following recommendations from the Committee give opportunity to make either specific adjustments to industries impacted by the Business Tax or an overall rate reduction. If Council approves the proposed reductions, staff will return with a first and second reading of an ordinance amending Chapter 6.04.

- Gasoline sales – creation of a new rate category
- Raw materials exemption
- Overall 25% reduction in tax rate

Gas Stations – Rate Category Creation for Gasoline Sales

During discussions with the Chamber and through the Committee workshop, gas stations were identified as an industry that may be disproportionately impacted due to the small margin of profit on gasoline sales.

The Committee's recommendation is that the gross receipts related to gasoline sales would pay a flat $50 tax. The gross receipts from retail sales inside the convenience store would be taxed at the existing retail rate established for all retail sales within the City.

The estimated annual fiscal impact of this option would be approximately $95,000.

It was also discussed that many of the gas stations within Tracy may have inadvertently included gas and sales taxes in the gross receipts currently reported to the City. It is recommended that each business reach out to the City to work directly on correcting their current year tax reporting form, as it is likely that they have overpaid their annual Business Tax.

Raw Materials Exemption

The Committee has recommended allowing an exemption for the cost of purchased raw materials. This change would provide relief to manufacturing, packing and processing businesses, primarily in the warehouse business category. A deduction for the cost of purchased raw materials at the time it enters the manufacturing process would allow for the Business Tax to be calculated only on the value of the manufactured product. There are 66 businesses in Tracy that are classified as manufacturing businesses that could see relief from this option. The fiscal impacts of this option are unknown, as the City does not have information on the cost of raw materials that would potentially be deducted from the business's gross receipts. It is important to note that this category was segregated out in Tracy's Business Tax due to the potential threat of losses of e-commerce sales tax revenue from the City's warehouses. The Business Tax revenue was modernized to provide an increase revenue to the City and mitigate the potential loss from sales tax.

Overall Reduction in Tax Rate

Another option recommended by the Committee is an overall rate reduction of 25%, sunsetting in 2026, which is the estimated time the City's sales tax allocation related to e-commerce changes. A reduction to the tax rate would equitably reduce taxes across all categories and a

sunset date aligning with the sales tax allocation would allow the City to continue providing vital services. The estimated annual fiscal impact associated with reducing the tax rate by 25% would be $1.5M.

Business Category	Minimum Fee	Current Tax Rate	Reduced Tax Rate
General Business	$50 Flat Rate Annually (First $500k of Gross Receipts)	0.001	0.00075
Manufacturing, Warehousing, Wholesaling		0.0015	0.00125
Contractor/Service		0.002	0.00150
Professionals/Rental		0.003	0.00225

With a 25% reduction in the tax rate, businesses would see reduction in tax of approximately $125 per business for every $1M in gross receipts.

Business Category	Gross Receipts	GR after Exemption	Current Tax	Reduced Tax	Difference
General Business	$1,000,000	$500,000	$550	$425	$125
Manufacturing, Warehousing, Wholesaling	$1,000,000	$500,000	$800	$675	$125
Contractor/Service	$1,000,000	$500,000	$1,050	$925	$125
Professionals/Rental	$1,000,000	$500,000	$1,550	$1,425	$125

Impacts of Reduction to Tax on General Fund Budget

It is important to note that the adopted FY2023-24 budget, including staffing levels, labor contracts, road and park improvements, was approved with the new Business Tax structure as a General Fund revenue source. Any changes that result in a reduction in the tax during the current fiscal year will require review of the adopted budget as well as potential reductions to balance the budget. Staff is currently preparing the FY2024-25 budget and has presented budget augmentations to the Finance Committee that support the Council adopted Strategic Priorities and enhance City services and programs. Any reduction to the tax in the upcoming fiscal year would reduce the viability of including those budget augmentations, and in certain scenarios presented, require City departments to reduce services or Council to amend its fiscal sustainability strategies to balance the budget.

Separately, as has been discussed publicly, the City's sales tax allocation is expected to decrease in the near future, as changes to the structure of sales tax related to e-commerce are imminent with the State law. The amount of decrease to sales tax remains unknown at this time;

however, the reduction could be as much as 30-50% of the City's sales tax allocation.

The City's costs of operating City functions and providing essential services to Tracy residents continues to increase, and all existing revenue sources have been considered in the current year's budget. Staff recommends that if the City Council were to consider any reduction to the Business Tax, such a reduction, be temporary relief, reevaluated on an annual basis, in consideration of the City's financial position and future outlook. To have a balanced budget, staff recommends that both the revenue reductions and appropriations reduction be proposed to the City Council concurrently for consideration. Staff also recommends that any reduction to the tax be effective until 2026, at the time it is expected that the City's sales tax allocation is expected to change.

FISCAL IMPACT

Revenue collected from the City's Business Tax contributes to the City's General Fund. Any changes to the structure of the Business Tax will impact the City's budget and fiscal sustainability strategies.

STRATEGIC PLAN

This agenda item supports the Governance strategic priority, goal two, ensure short and long-term fiscal health.

ACTION REQUESTED OF THE CITY COUNCIL

The Tracy Finance Committee recommends that the City Council select, by motion, one or more of the following proposed amendments to Chapter 6.04 (Business Taxes) of the Tracy Municipal Code: reduction in gasoline sales tax rate; a raw material exemption for manufacturing; and an overall tax rate reduction of 25%.

Prepared by: Sara Cowell, Director of Finance

Reviewed by: Bijal Patel, City Attorney
Karin Schnaider, Assistant City Manager

Approved by: Midori Lichtwardt, City Manager

Attachments

Attachment A: Business Tax Update Power Point Presentation

Business Tax

City Council

May 21, 2024

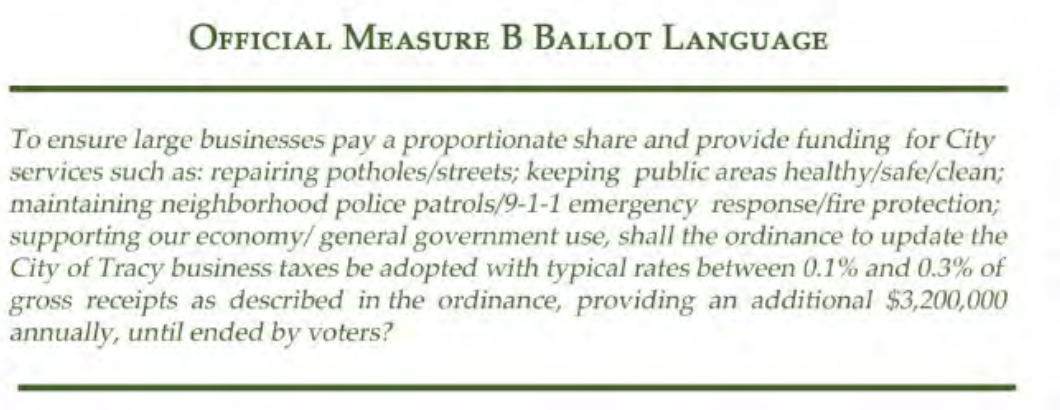
Background

- 1984 – Business Tax based upon number of employees is established. A maximum tax of $2,018 is established.
- March 2020 – Council formed the Ad-Hoc Committee for Fiscal Sustainability.
- March 2021 – City's Guiding Budget Principles were created, one of the strategies was to update the Business Tax structure for a more equitable tax.
- March 2022 – Council directs staff to proceed with placing a tax measure on the November 2022 ballot.

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Background

July 2022 - Council approves the Business Tax structure that would be on the November 2022 ballot (Measure B). The structure is based upon gross receipts and is aimed to bring equity amongst large and small businesses.



OFFICIAL MEASURE B BALLOT LANGUAGE

To ensure large businesses pay a proportionate share and provide funding for City services such as: repairing potholes/streets; keeping public areas healthy/safe/clean; maintaining neighborhood police patrols/9-1-1 emergency response/fire protection; supporting our economy/ general government use, shall the ordinance to update the City of Tracy business taxes be adopted with typical rates between 0.1% and 0.3% of gross receipts as described in the ordinance, providing an additional $3,200,000 annually, until ended by voters?

November 2022 – Voters approve new Business Tax structure.
July 2023 – New Business Tax structure becomes effective.

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New Tax Structure Effective July 1, 2023

Business Rate Categories	Minimum Fee	Business Rate Categories
GENERAL BUSINESS	$50 FLAT RATE ANNUALLY (FIRST $500K OF GR)	0.001 X GROSS RECEIPTS
MANUFACTURING, WAREHOUSING, WHOLESALING		0.0015 X GROSS RECEIPTS
CONTRACTOR/SERVICE		0.002 X GROSS RECEIPTS
PROFESSIONALS/RENTALS		0.003 X GROSS RECEIPTS

Background

The updated Business Tax gives residents local control over local funds and provides resources for the City to be used on City Services, such as:

- Repairing streets
- Keeping public areas safe & clean
- Maintaining police patrols
- Emergency protection









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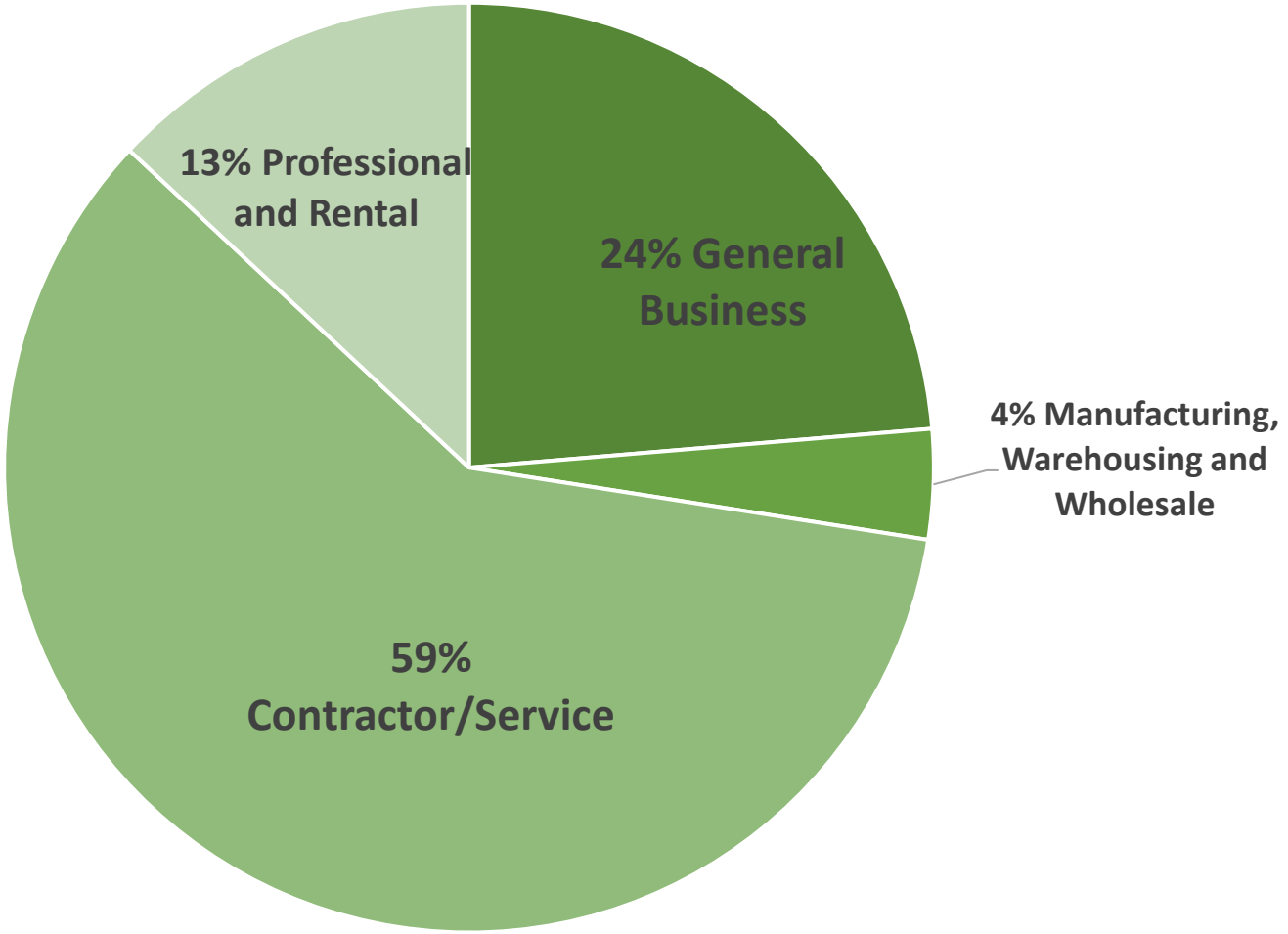
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Why Gross Receipts?

- Cities have moved away from using employee count as a method of taxation, as that is considered a tax on jobs.
- Proportional way to charge tax, naturally adjusts up or down as the economy does.
- Government code section 37101 authorizes the use of gross receipts.

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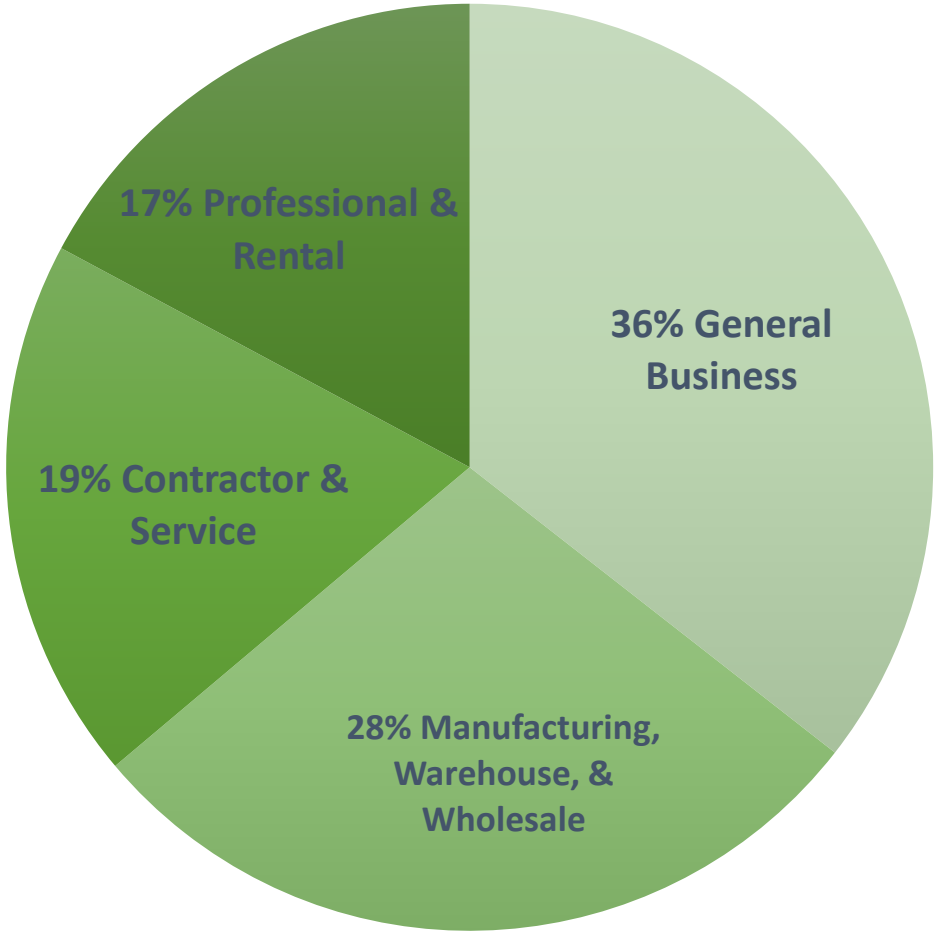
Makeup of Businesses by Category



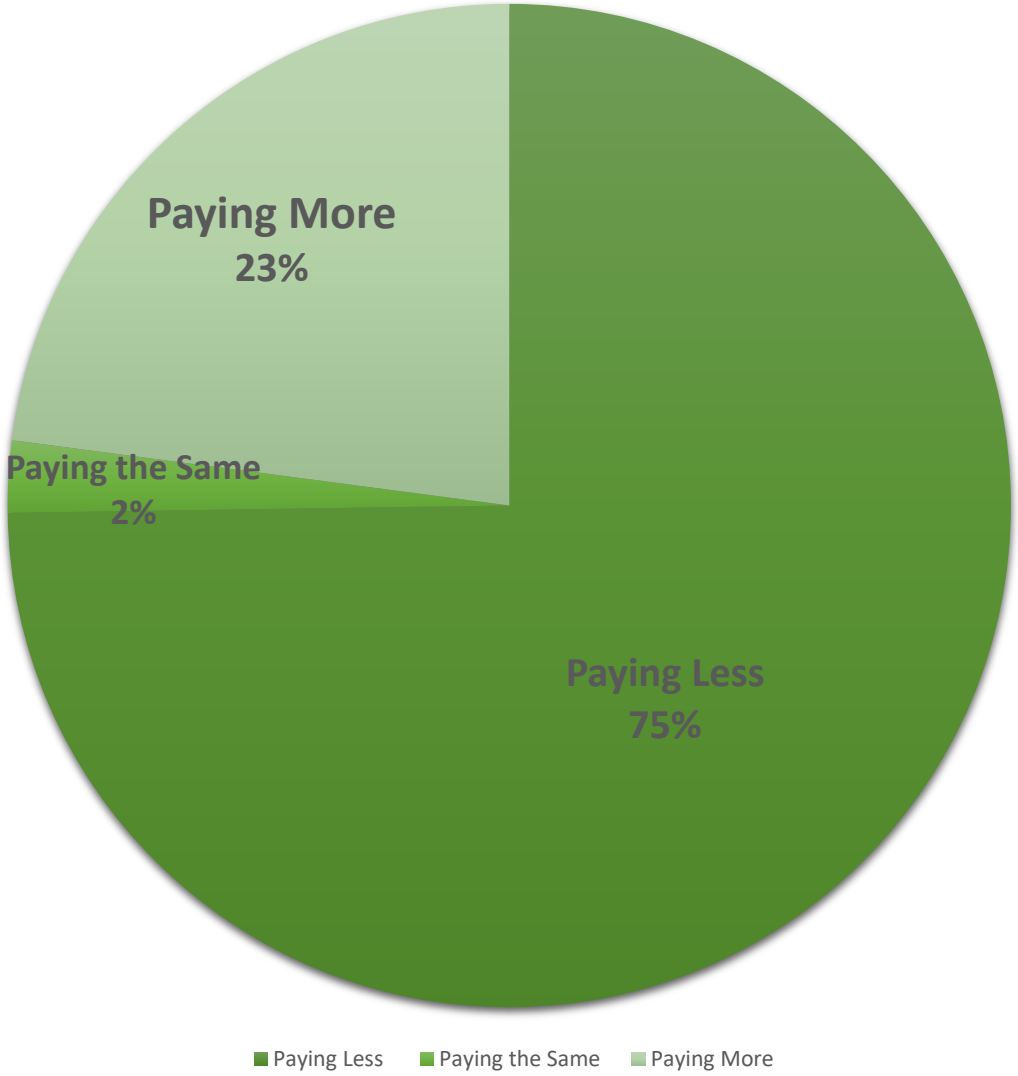
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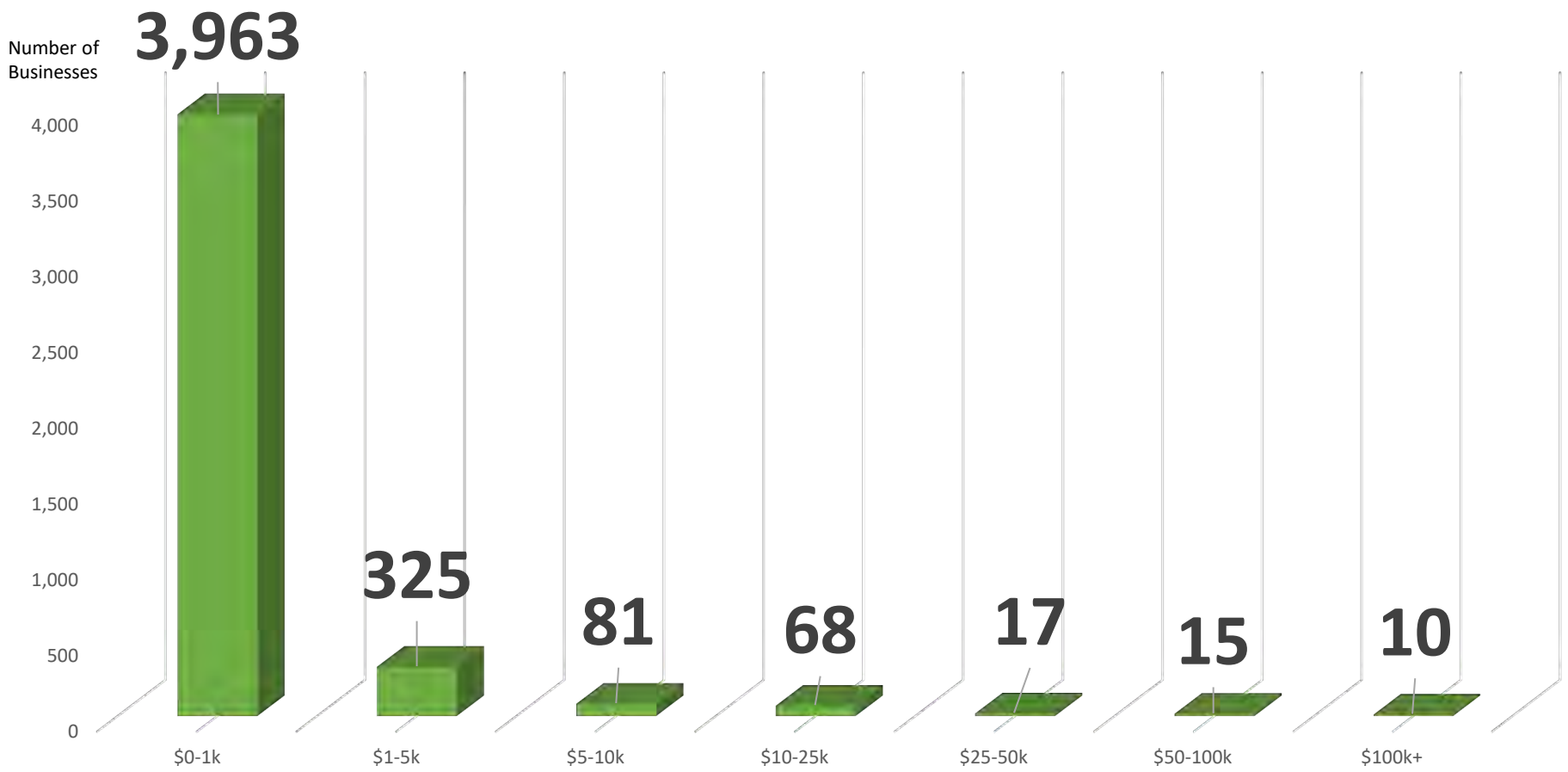
Tax Paid by Business Category



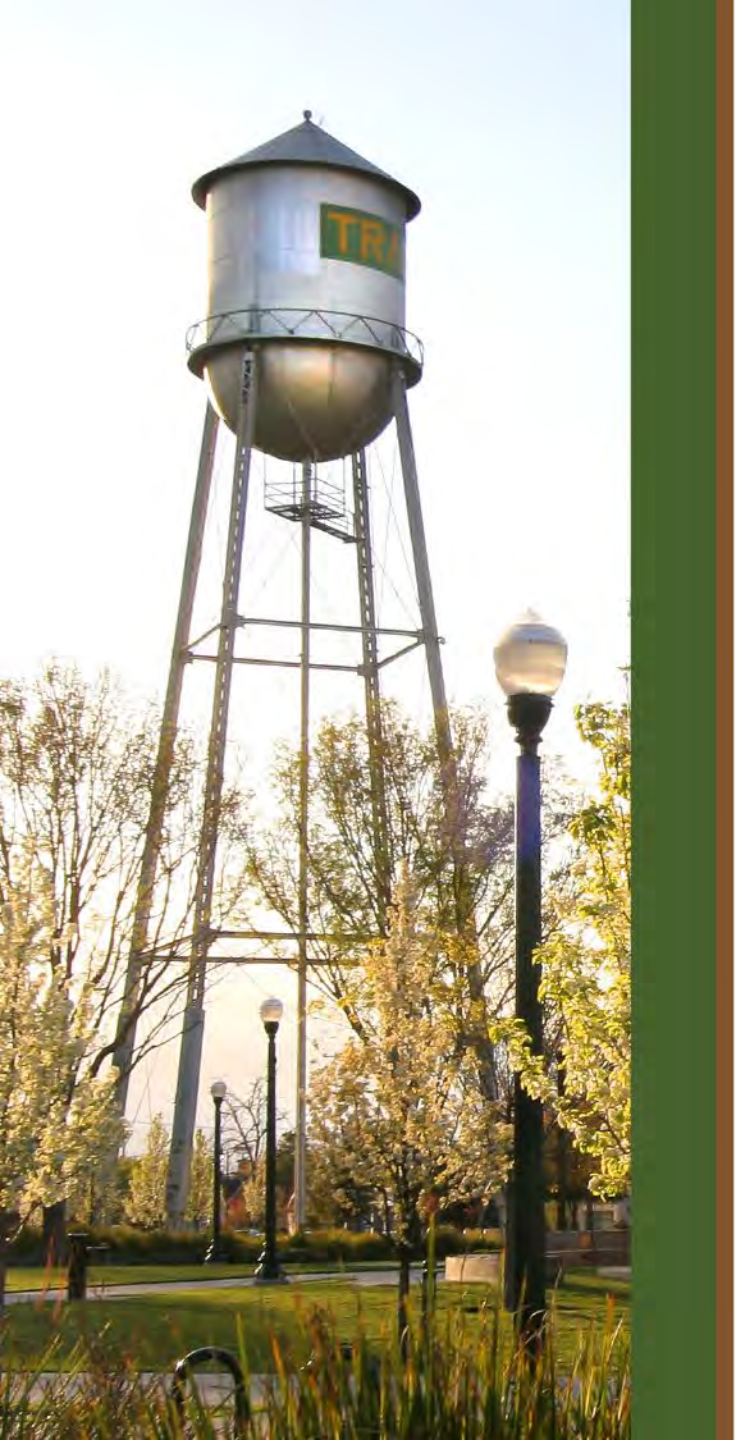
Impacts of New Tax Structure



Breakout of Tax Paid



Amount of Business Tax Paid in FY2023-24



Comparison of other Cities

City Name	Population	Tax Type	Maximum Tax	Last Ordinance Revision
Tracy	98,601	Gross Receipts	No	2023
Modesto	214,221	Gross Receipts	No	1997
Stockton	307,000	Gross Receipts	No	2005
Livermore	86,493	Gross Receipts	No	2018
Pleasanton	9,800	Gross Receipts	No	2017
Manteca	81,592	Gross Receipts	$1,250	1990
Lathrop	23,284	Flat	$661	2002

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Comparison of Other Cities

Example - Business with $5,000,000 in Gross Receipts

Type of Business	Tracy	Modesto	Stockton	Livermore	Pleasanton	Manteca	Lathrop
Retail or General Business	$4,550	$5,000	$4,500	$4,000	$1,750	$1,250	$661
Manufacturing/Wholesale	$6,800	$100	$1,250	$4,000	$1,750	$1,250	$661
Contractor/ Service	$9,050	$10,000	$2,500	$4,000	$1,750	$1,250	$661
Professional / Rentals	$13,550	$10,000	$10,000	$8,000	$1,750	$1,250	$661

Budget Enhancements Since Updating Business Tax

- 2 Traffic enforcement Police Officers
- 2 Maintenance Workers for roadway maintenance
- Increased purchase of materials for roadway maintenance
- 1 Maintenance Worker for Parks maintenance
- 1 Cybersecurity Officer
- 1 Economic Development Management Analyst
- Creation of a pilot Economic Development business incentive program

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Timeline

- July-August 2023 Tax Due
- September 2023 – City analysis of tax results
- October 2023 – Business Tax update to Finance Committee
- November 2023 – City and Chamber Discussion
- December 2023 – January 2024 – Chamber meets with Tracy Businesses to discuss business tax impacts
- March 2024 – City and Chamber host industry specific meetings.

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Timeline - Continued

- March 2024 – Chamber submits options for changes to Business tax to City.
- April 3, 2024 – Finance Committee Workshop
- April 29, 2024 – Finance Committee makes recommendation to Council

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Recommendations from the Finance Committee

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Industry Specific Options

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Gas Stations

Finance Committee Recommendation:

Creation of a new category for gasoline sales only. Retail sales inside the convenience store will be at the general business/retail rate.

Estimated Fiscal Impact: $95,000

Raw Materials Exemption

Finance Committee Recommendation:

Allow an exemption for the cost of raw materials.

- Allows for tax to be calculated only on value of manufactured product.
- Manufacturing businesses would benefit, there are currently 66 businesses classified as manufacturing.

Estimated Annual Fiscal Impact: Unknown

(City does not have information on the value of raw materials that would potentially be deducted)

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Overall Rate Reduction

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Rate Reduction Across All Categories

Finance Committee Recommendation:

- Reduce the tax rate for all categories until 2026
  - A reduction to the tax rate would equitably reduce taxes across all categories.

With a 25% reduction in the tax rate, businesses would see a reduction in annual tax paid of $125 per $1M in gross receipts.

Business Category	Gross Receipts	GR after Exemption	Current Tax	Reduced Tax	Difference
General Business	$1,000,000	$500,000	$550	$425	$125
Manufacturing, Warehousing, Wholesaling	$1,000,000	$500,000	$800	$675	$125
Contractor/Service	$1,000,000	$500,000	$1,050	$925	$125
Professionals/Rental	$1,000,000	$500,000	$1,550	$1,425	$125

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Rate Reduction (Continued)

Business Category	Minimum Fee	Current Tax Rate	Reduced (by 25%) Tax Rate
General Business	$50 Flat Rate Annually (First $500k of Gross Receipts)	0.001	0.00075
Manufacturing, Warehousing, Wholesaling		0.0015	0.00125
Contractor/Service		0.002	0.00150
Professionals/Rental		0.003	0.00225

25% reduction to business tax rates

Estimated Annual Fiscal Impact: $1.5M

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Summary

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Fiscal Impact

- The City's adopted budget factored the current Business Tax rates as a revenue source. Reductions to the tax will impact the current adopted budget as well as the upcoming FY2024-25 proposed budget.
- The five-year forecast was also conducted with the current business tax rates. Reductions to the tax rate will impact the ability to maintain or provide increases in service levels in upcoming fiscal years.
- It is expected that the City's sales tax allocation will decrease in the near future, due to reallocation of tax related to e-commerce.

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Discussion

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May 21, 2024

Agenda Item 3.F

RECOMMENDATION

Staff recommends that the City Council consider a request by the Mayor to increase her travel budget for fiscal year 2023-2024 by an amount not to exceed $3,000 for a total not to exceed $33,000, and upon consideration, take, by motion, one of the following actions: 1) increase the Mayor's budget by $3,000 and reduce an equivalent amount in other Councilmembers' budgets; 2) increase by $3,000 and appropriate an equivalent amount of General Fund reserves; 3) deny the request; or 4) take other action regarding the Mayor's request.

EXECUTIVE SUMMARY

Staff recommends that the City Council consider a request from the Mayor to modify her travel budget by an additional $3,000.

BACKGROUND AND LEGISLATIVE HISTORY

At the April 18, 2023, meeting, the City Council (Council) adopted a new policy for reimbursement for travel and expenses for Elected and Council-Appointed Officials. As part of the change in policy, each Elected Official now has an individual budget that is separately approved by the City Council through the budget approval process. The budget allocation is for all travel costs, including mileage reimbursement requests to attend regional committee meetings, the cost of registration and/or memberships required to secure the relevant travel and/or training.

On September 19, 2023, the Council adopted Resolution 2023-195 approving a budget of $20,000 for each Council member and $30,000 to the Mayor, for a total City Council travel budget of $110,000.

Since the adoption of the per Council member budget, staff has provided a bi-monthly update to the Finance Committee on the status of the overall City Council budget. The last update to the Finance Committee was in March 2024 and at that time, no Council members were over their allotted travel budget.

ANALYSIS

The current balance (as of May 15, 2024) of travel funds expended by Council members is shown in the chart below. Expenses related to travel typically are posted to the general ledger 30 – 60 days after the travel, as many of the expenses are purchased on a City Cal-card or require time for processing of reimbursements to the Council member.

ORG	OBJ	COUNCIL MEMBER	ACCOUNT DESCRIPTION	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET
12561101	5228	ARRIOLA	Travel, Training & Membership	20,000	8,369	0.00	11,631
12561101	5228	EVANS	Travel, Training & Membership	20,000	40,56	0.00	15,944
12561101	5228	DAVIS	Travel, Training & Membership	20,000	9,624	0.00	10,376
12561101	5228	BEDOLLA	Travel, Training & Membership	20,000	9,460	0.00	10,540
12561101	5228	YOUNG	Travel, Training & Membership	30,000	29,323	0.00	677

Staff has received a request from the Mayor to request an increase in funding for the current fiscal year's travel budget. The Mayor's remaining balance of $677 assumes a $4,000 reimbursement from the San Joaquin Council of Governments (SJ COG) and Rail Commission for the recent One Voice trip. Attachment A outlines a summary of the travel expenses by event.

The request to increase the Mayor's travel budget is in the amount not to exceed $3,000 is to cover the anticipated cost of an allowance for mileage reimbursements for meetings anticipated through June 30, 2024. The Mayor has not submitted mileage reimbursements since March 2024 and by doing so, may exceed the current budget allocation of $30,000. While no additional travel or conferences are remaining for the Mayor in this fiscal year, minor reimbursements for prior travel may be outstanding, as travel has recently occurred in May 2024 for the SJ COG One Voice trip.

Staff recommends that the Council consider the request from the Mayor and upon consideration, take by motion, action regarding the request.

FISCAL IMPACT

The City Council's budget is funded through the City's General Fund. Any increase to the travel budget that is above the total budget allocation (currently $110,000) will result in an appropriation from General Fund reserves or require a reduction of an equivalent amount in the other Councilmembers' individual budgets.

STRATEGIC PLAN

This agenda item supports the Governance strategic priority, goal two, ensure short and long-term fiscal health.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that the City Council consider a request by the Mayor to increase her travel budget for fiscal year 2023-2024 by an amount not to exceed $3,000 for a total not to exceed $33,000, and upon consideration, take, by motion, one of the following actions: 1) increase the

Mayor's budget by $3,000 and reduce an equivalent amount in other Councilmembers' budgets; 2) increase by $3,000 and appropriate an equivalent amount of General Fund reserves; 3) deny the request; or 4) take other action regarding the Mayor's request.

Prepared by: Sara Cowell, Director of Finance

Reviewed by: Bijal Patel, City Attorney
Karin Schnaider, Assistant City Manager
Midori Lichtwardt, Interim City Manager

Attachment A: Summary of Travel Expenses through May 15, 2024

Mayor's Travel Budget Summary - FY 2023/24	
Mileage	$1,135.06
Memberships (2)	$10,269.00
Cal Cities Conference	$934.80
National League of Cities - Congressional	$3,220.29
National League of Cities - City Summit	$3,561.00
US Mayor's Conference	$3,790.47
Lobbying Trip	$3,711.20
SJ COG - One Voice	$4,453.23
SJ COG/Rail Commission - Estimated Reimbursement	($4,000.00)
African American Mayor's Conference	$1,971.96
Stockton Chamber - Greater Industrial	$60.00
Cal Cities Board of Directors Meeting	$72.50
Sales Tax & Revenue Hearing - Airfare	$143.98
Total	**$29,323.49**