



NOTICE OF REGULAR MEETING

Pursuant to Section 54954.2 of the Government Code of the State of California, a regular meeting of the **ENVIRONMENTAL SUSTAINABILITY COMMISSION** is hereby called for:

Date/Time: **Thursday, January 22, 2026, at 7:00 p.m.**
(or as soon thereafter as possible)

Location: **City Hall Council Chambers**
333 Civic Center Plaza,
Tracy, CA

THIS MEETING WILL BE OPEN TO THE PUBLIC FOR IN-PERSON PARTICIPATION PURSUANT TO GOVERNMENT CODE SECTION 54954.3 WHICH STATES THAT EVERY PUBLIC MEETING SHALL PROVIDE AN OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE COMMISSION ON ANY ITEM, BEFORE OR DURING CONSIDERATION OF THE ITEM, HOWEVER, NO ACTION SHALL BE TAKEN ON ANY ITEM NOT ON THE AGENDA.

MEETING AGENDA

1. Call to Order
2. Roll Call
3. Pledge of Allegiance
4. Items from the Audience - In accordance with Council Meeting Protocols and Rules of Procedure, adopted by Resolution No. 2019-240, and last amended by Resolution No. 2021-049, 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, the Commission 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 the Commission.
5. Consent Items
5.A REVIEW AND APPROVE DECEMBER 9, 2025, MEETING MINUTES
6. Informational Items - None
7. Actionable Items
7.A RECEIVE INFORMATION ON THE ENERGY UPGRADE PROGRAM AND PROVIDE RECOMMENDATION TO CITY COUNCIL

7.B DISCUSS AND RECOMMEND ANNUAL REPORT CONTENT FOR CITY COUNCIL PRESENTATION

7.C REVIEW AND APPROVE AN UPDATE TO THE ESC CY2026 WORKPLAN

8. Staff items (Verbal Report)
9. Items from the Commission – In accordance with Parliamentary Procedures, a commissioner who wishes to introduce an item to be considered must make a motion, obtain a second, and the Chair must call the vote. A majority vote is required for the motion to pass.
10. Adjournment

AGENDA POSTED: January 16, 2026

The City of Tracy complies with the Americans with Disabilities Act and makes all reasonable accommodations for the disabled to participate in public meetings. Persons requiring assistance or auxiliary aids in order to participate should call City Hall at (209) 831- 6000 at least 24 hours prior to the meeting.

Any materials distributed to the Environmental Sustainability Commission regarding any item on this agenda will be made available for public inspection at City Hall located at 333 Civic Center Plaza, Tracy, during normal business hours.

Full copy of the agenda can be found at the Tracy Library as well on the City's Website: [Environmental Sustainability Commission | City of Tracy, CA](#)



**ENVIRONMENTAL SUSTAINABILITY COMMISSION
REGULAR MEETING MINUTES
DECEMBER 9, 2025
7:00 PM**

1. CALL TO ORDER:

- a. The meeting was called to order by Chair Kahlon at 7:00 pm.

2. ROLL CALL:

- a. Present: Davis, Kahlon, Martinez, Orcutt, Palma, Wood
- b. Absent: Rufino
- c. Staff Present: Stephanie Reyna-Hiestand, Assistant Director of Utilities
Kamalpreet Gill, Deputy City Attorney
Carla Sorich, Executive Assistant
Ed Lovell, Transit Manager
- d. Recorded by: Carla Sorich, Executive Assistant

3. PLEDGE OF ALLEGIANCE

Led by Chair Kahlon.

4. ITEMS FROM THE AUDIENCE

None.

5. CONSENT ITEMS

5.A APPROVE MEETING MINUTES FOR NOVEMBER 17, 2025.

ACTION: Motion was made by Commissioner Wood and seconded by Commissioner Palma to approve the meeting minutes from November 17, 2025. (Roll call found all in favor, passed, and so ordered 6,0,0)

Approve: Wood, Palma, Davis, Martinez, Orcutt, Palma

Oppose: None

Abstain: None

6. INFORMATIONAL ITEMS

**6.A RECEIVE AN INFORMATIONAL REPORT ON SB253 CLIMATE
CORPORATE DATA ACCOUNTABILITY ACT**

Staff report was given by Stephanie Reyna-Hiestand.

Commissioner questions and comments followed.

6.B RECEIVE AN INFORMATIONAL REPORT ON THE VALLEY LINK PROJECT AS PRESENTED TO CITY COUNCIL NOVEMBER 18, 2025 REGULAR MEETING

Ed Lovell, Transit Manager provided the introduction. Commission viewed the video presentation.

Commissioner questions and comments followed.

6.C STAFF REQUEST THAT THE ENVIRONMENTAL SUSTAINABILITY COMMISSION RECEIVE AN INFORMATIONAL REPORT ON CLIMATE ADAPTIVE TREES.

Stephanie Reyna-Hiestand provided the staff report.

Commissioner questions and comments followed.

7. ACTIONABLE ITEMS

7.A CONSIDER, DISCUSS, AND AUTHORIZE THE CHAIR TO SIGN A LETTER OF SUPPORT FOR SB125 FUNDING SUBMITTALS THROUGH SJCOG FOR CITY TRANSIT PROJECTS.

Ed Lovell provided the staff report.

Commissioner questions and comments followed.

ACTION: Motion was made by Chair Kahlon and seconded by Vice Chair Martinez to authorize the Chair to sign a letter of support for SB125 funding submittals through SJCOG for City Transit projects.

Approve: Kahlon, Martinez, Davis, Orcutt, Palma, Wood
Oppose: None
Abstain: None

7.B DISCUSS AN AMENDMENT TO THE ESC BYLAWS AND AUTHORIZE RECOMMENDATION TO CITY COUNCIL FOR CONSIDERATION AND APPROVAL

Stephanie Reyna-Hiestand read the staff report.

Commissioner questions and comments followed.

ACTION: Motion was made by Chair Kahlon and seconded by Commissioner Palma to amend the ESC Bylaws and authorize a recommendation to City Council for consideration and approval

(Roll call found all in favor, passed, and so ordered 5,1,0)

Approve: Kahlon, Palma, Davis, Orcutt, Palma, Wood

Oppose: Martinez
Abstain: None

7.C REVIEW AND APPROVE AN UPDATE TO THE ESC CY2025 AND CY2026 WORKPLANS

Stephanie Reyna-Hiestand read the staff report.

Commissioner comments and questions followed.

ACTION: Motion was made by Commissioner Wood and seconded by Commissioner Davis to approve the ESC CY2025 and CY2026 Workplan with the following changes:

On the TBS Tab:

- ESC Policy recommendation for Municipal Actions related to Scope 3 of the GHG under SB253 CA Climate Corporate Data Accountability Act – Review, Discuss, and recommend.
- Update from Heirloom.
- Climate Adaptive Tree list to be added back to the UFMP along with metrics – review, discuss, and recommend.

(Roll call found all in favor, passed, and so ordered 6,0,0)

Approve: Wood, Davis, Kahlon, Martinez, Orcutt, Palma
Oppose: None
Abstain: None

8. STAFF ITEMS

Stephanie Reyna-Hiestand reminded the Commission to complete the Ethics Training (AB1234) that was sent via email and must be completed by all Commissioners by December 31.

9. ITEMS FROM THE COMMISSION

Commissioner Wood discussed the SAP sections that have been chosen. Commissioner Orcutt requested to take the Water section from the SAP.

10. ADJOURNMENT – Time: 9:15 PM.

ACTION: Motion was made by Chair Kahlon and seconded by Commissioner Wood to adjourn at 9:15 P.M. (Roll call found all in favor, passed, and so ordered 6,0,0)

Approve: Kahlon, Wood, Davis, Martinez, Orcutt, Palma
Oppose: None
Abstain: None

**CITY OF TRACY
ENVIRONMENTAL SUSTAINABILITY COMMISSION
JANUARY 22, 2026**

AGENDA ITEM 7.A

REQUEST

STAFF REQUESTS THAT THE ENVIRONMENTAL SUSTAINABILITY COMMISSION RECEIVE INFORMATION ON THE ENERGY UPGRADE PROGRAM AND PROVIDE RECOMMENDATION TO CITY COUNCIL

EXECUTIVE SUMMARY

This item will provide information on the City of Tracy Public Works Department goals and objectives towards reducing energy consumption through fleet transition, energy efficiencies, and design-build contracting. Staff plans to present a similar presentation to the City Council to initiate the study and implementation of the program with ESC input.

DISCUSSION

The City of Tracy is proposing to initiate a study, followed by a Design-Built contract, to upgrade old, outdated, and inefficient equipment with relatively high energy bills, as well as greenhouse gas emissions reduction goals documented in the City of Tracy 2011 Sustainability Action Plan. This effort will begin by issuing a Request for Qualification, followed by a Request for Proposals to qualified Design-Build Energy Services Company (ESCO) for an Investment Grade Audit (IGA) of City facilities. Upon completion of this study, the City will choose which facilities should be upgraded and develop a financing plan for the implementation. The financing plan will include an energy saving guaranteed by the contractor, for return on investment (ROI). The project can also include addition solar farms at water and wastewater treatment plants with battery backup system to reduce the energy consumption at these high use facilities. The savings can be used for repair and maintenance of the water and wastewater treatment plants.

In addition, this report will provide a background on the fleet electrification program, including transit vehicles, and EV charging station implementation efforts.

RECOMMENDATION

Staff requests that the Environmental Sustainability Commission receive information on the Energy Upgrade Program and provide recommendation to City Council.

Prepared by: Anush Nejad, P.E. Director of Public Works
David Murphy, Assistant Director of PW - Operations
Ed Lovell, Transit Manager

Reviewed by: Stephanie Reyna-Hiestand, Assistant Director of Utilities
Carla Sorich, Executive Assistant

ATTACHMENT

A – PPT ENERGY UPGRADE PROGRAM



Energy Upgrade Program

Environmental Sustainability Commission

Jan 22, 2026

AGENDA

- Introduction
- Goals of Energy Upgrade Program
- Investment Grade Audits of City Building and High Energy Use Facilities
- Design – Build Options
- Energy Savings Guarantees
- Reduction in Utility Costs through Solar Panel Installation and Battery Backup System
- Next Steps



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Goals of the Program

- The City will reduce energy use and upgrade older equipment through an Investment Grade Audit for existing facilities
- The Department of Energy has been promoting these upgrades for energy-efficient upgrades, as well as the installation of solar panels to generate and store electricity
- The City is in an excellent position to retain an Energy Services Company (ESCO) through a Design-Build contracting



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What is an investment-grade audit (IGA)

- A detailed account of energy use
- Cost/savings analysis of potential energy savings opportunities
- Proposal of bundled measure with financing plan as well as implementation and savings verification plan



ENERGY SAVINGS PERFORMANCE CONTRACT (ESPC)

Project
Scoping
Meeting

Issue
Request for
Qualification
/Proposal
(RFQ/RFP)

Select
Energy
Services
Company
(ESCO)

Negotiate
Investment
Grade Audit
(IGA)
Contract

Issue IGA
Contract

Esco
Performs
IGA

Negotiate
Energy
Savings Plan
(ESP)
Contract

Authorize
Construciton/
Implementatio
n Contract

ESCO
Implements
Energy
Conservation
Measures
(ESM)

Realize
Savings



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Types of energy conservation measures

- Heating/Cooling (HVAC)
- Controls
- Pumps
- Water Heaters
- Lighting
- Water and Wastewater



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Key ESCO Components

- Utility Use Baseline
- Scope of Work
- Design-Build for a Guaranteed Maximum Price (GMP)
- Financing Plan
- Commissioning Plan
- Measurement and Verification Plan
- D-B and Financing Process
 - If a D-B is awarded, the IGA costs will be absorbed by the Contractor
 - Financing will account for Guaranteed Cost Savings by the Contractor
 - Project can be financed using the new equipment as collateral
 - Typically, 70% of the costs will be paid through annual cost savings

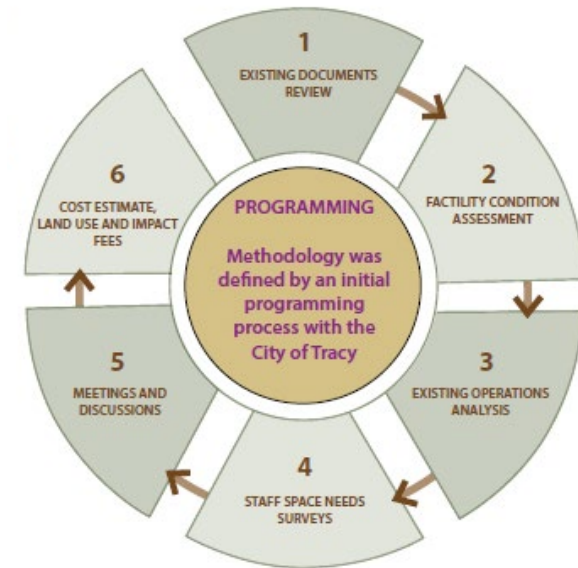


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FACILITIES MASTER PLAN

CITY COMPLETED A PUBLIC FACILITIES ASSESSMENT IN 2023



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City will decide which facilities to include in the IGA

FACILITY	SITE	EXTERIOR	STRUCTURE	INTERIOR	MEP	CONDITION RATING
City Hall	4.3	3.8	4.2	4.4	3.9	4.1
Support Services Building	3.8	3.4	3.2	3.6	4.0	3.6
Community Center	4.3	3.6	3.6	3.2	3.0	3.5
Senior Center	4.0	3.6	3.7	4.5	4.1	4.0
Police Annex	3.5	3.3	3.3	3.7	3.2	3.4
Fire Administration	3.9	4.0	3.4	3.6	3.9	3.8
Police Station	3.4	3.6	3.8	3.1	2.7	3.3
Transit Station (New)	3.9	3.9	4.5	3.8	3.8	4.0
Animal Shelter	3.8	4.1	4.5	3.8	4.2	4.1
Tracy Library	3.3	3.0	3.8	3.6	3.6	3.5
Joe Wilson Pool	4.3	4.2	4.6	3.6	4.1	4.2
Sports Complex Meeting Room	3.1	3.3	2.6	3.8	3.7	3.3
Tracy Historical Museum	2.8	3.3	3.1	3.4	3.5	3.2
Grand Theatre	3.7	3.2	3.2	4.0	4.3	3.7
Lammersville School	2.6	2.3	3.1	3.5	3.7	3.1
Town Hall and Jail	3.6	2.5	2.0	3.3	3.0	2.9
Old Corp Yard	2.4	2.5	3.0	2.0	2.6	2.6
Boyd Service Center	3.6	3.5	3.3	3.4	3.4	3.5
Boyd Service Center Building A - Administration	3.4	3.5	3.3	3.7	3.4	3.5
Boyd Service Center Building B - Maintenance Shops (Renovated)	3.9	4.1	4.0	3.8	3.8	3.9
Boyd Service Center Building C - Maintenance Shops (Unrenovated)	3.0	2.8	3.0	2.8	2.9	2.9
Boyd Service Center Building D - Warehouse Building	3.6	3.5	3.3	3.2	3.4	3.5
Boyd Service Center Building E - Fleet Shop	2.6	2.8	2.6	2.2	3.1	2.7
Boyd Service Center Building - Old Transit Center Shops	3.4	3.2	3.3	3.5	3.2	3.3
Tracy Municipal Airport - 3 Series Hangers	3.5	3.1	3.3	3.3	3.9	3.4
Tracy Municipal Airport - 4 Series Hangers	3.5	3.4	3.8	3.3	3.9	3.6
Tracy Municipal Airport - B Series Hangers	3.7	4.1	3.8	4.0	3.1	3.7
Tracy Municipal Airport - F Series Hangers	3.0	2.7	2.8	3.0	2.1	2.7
Tracy Municipal Airport - G Series Hangers	3.0	2.7	2.8	3.0	2.1	2.7
Skyview Aviation	3.8	3.3	3.8	4.0	3.2	3.6

5 - Excellent/ Compliance
 4 - Good
 3 - Fair
 2 - Poor
 1 - Critical/ Non-Compliance



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Opportunities for Water and Wastewater Cost Reduction

- Potential design and installation of Solar Panels at Water and Wastewater Facilities
- Use of Battery Back-up System to store electricity and reduce electrical consumption, especially during peak hours
- Savings can be used to pay for the equipment financing



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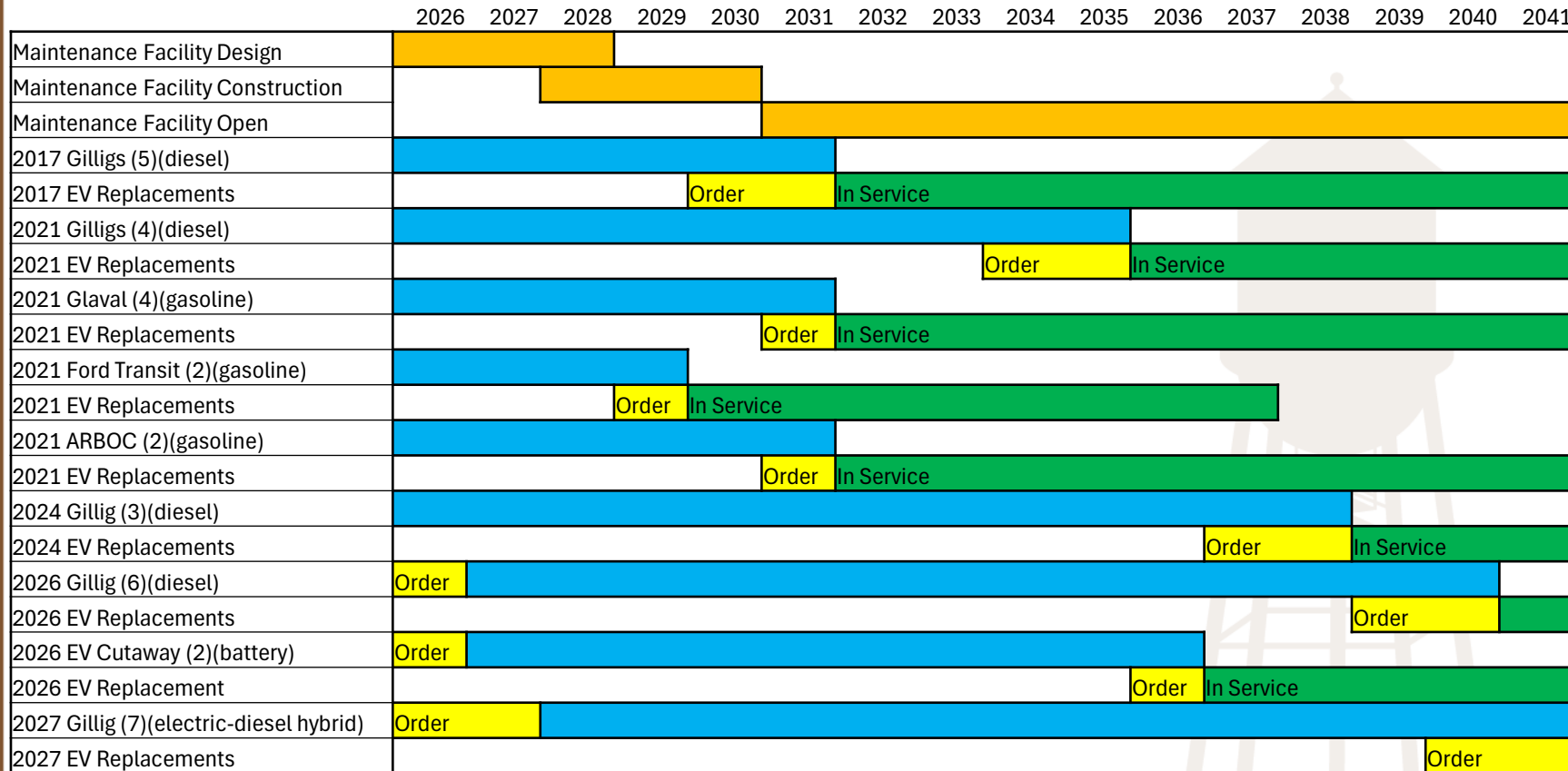
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Fleet Electrification Program

- City is in the process of Fleet Electrification
- Retained a consultant to design EV Charging Stations at
 - City Hall
 - PW Operations
 - Police Department
- EV Trucks have been purchased (5 currently)
- Under Rule 29, PG&E is upgrading the transformers at no cost to the City
- PD has purchased hybrid vehicles
- PW will be seeking grant funds to build the infrastructure as much as possible
- EV environment is changing, and we will evaluate the transition plan



Transit Fleet Transition Plan





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Recommended Phasing

Phase 1A

- **Complete IGA for Selected City Facilities**
- **Timeline 6 months from Council Approval**

Phase 1B

- **Implement Energy Upgrades at Selected City Facilities**
- **Timeline: 12 months after completion of IGA and Council Approval**

Concurrent

- **EV Charging Stations at City Hall, PW Ops, and PD**
- **Timeline: Within the next 12 months, depending on grant funding**

Phase 3A

- **Complete Water Treatment Plant Solar Array/Battery Backup System**
- **Timeline 12 months from Council Approval**

Phase 3B

- **Complete Wastewater Treatment Plant Solar Array/Battery Backup System**
- **Timeline 12 months from Council Approval**

Past Examples of ESCO Projects

- City of San Leandro
- City of South Lake Tahoe
- City of Lynwood
- Department of General Services
- Santa Paula Unified School District
- Fresno County
- Monterey Presidio Defense Facilities
- California Institute of Technology
- City of Atwater



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Questions



**CITY OF TRACY
ENVIRONMENTAL SUSTAINABILITY COMMISSION MEETING
January 22, 2026**

AGENDA ITEM 7.B

REQUEST

STAFF REQUESTS THAT THE ENVIRONMENTAL SUSTAINABILITY COMMISSION DISCUSS AND RECOMMEND CONTENT FOR THE ANNUAL REPORT TO CITY COUNCIL

EXECUTIVE SUMMARY

The By-Laws for the City of Tracy Environmental Sustainability Commission require that an annual report be presented to the Tracy City Council identifying the work that was completed and workplan items for the following year. This item requests that Commissioners discuss and make recommendations for content and provide direction to staff for a draft to be brought back at the next ESC Meeting for review.

DISCUSSION

Looking back at the calendar year 2025, Commissioners should determine what information should be included in the annual report to the City Council. Once content is determined, Commissioners should recommend that staff prepare a draft presentation that may be brought back to the Commission for further refinement and determine who from the Commission should present the report to the Council.

RECOMMENDATION

The Environmental Sustainability Commission discuss and recommend content for the annual report to City Council

Prepared by: Stephanie Reyna-Hiestand, Assistant Director of Utilities

Reviewed by: Carla Sorich, Executive Assistant

CITY OF TRACY
ENVIRONMENTAL SUSTAINABILITY COMMISSION MEETING
January 22, 2026

AGENDA ITEM 7.C

REQUEST

STAFF REQUESTS THAT THE ENVIRONMENTAL SUSTAINABILITY COMMISSION REVIEW, DISCUSS, RECOMMEND, AND APPROVE AN UPDATE TO THE CY2026 ENVIRONMENTAL SUSTAINABILITY COMMISSION WORKPLAN TO INCLUDE ACTION ITEMS FROM PRESENT AND PRIOR MEETINGS

EXECUTIVE SUMMARY

The commission and public make recommendations each meeting that are moved forward and approved for submission to the Environmental Sustainability Commission (ESC) annual workplan. Commissioners may also take action to request additional items be added to the workplan during the current meeting. This item requests that the ESC review, discuss, recommend, and approve updates to the ESC CY 2026 workplan through January 22, 2026.

DISCUSSION

The Commission made requests that were motioned and approved at the December 9, 2025, ESC regular meeting. The items discussed and requested were added to the TBS tab and included:

- ESC Policy recommendation for Municipal Actions related to Scope 3 of the GHG under SB253 CA Climate Corporate Data Accountability Act – Review, Discuss, and recommend.
- Update from Heirloom.
- Climate Adaptive Tree list to be added back to the UFMP along with metrics – review, discuss, and recommend.

These items will be scheduled for future Commission presentation either informational or actionable.

RECOMMENDATION

The Environmental Sustainability Commission review, discuss, recommend, and approve an update to the CY2026 Environmental Sustainability Commission workplans with action items from present and prior meetings.

Prepared by: Stephanie Reyna-Hiestand, Assistant Director of Utilities

Reviewed by: Carla Sorch, Executive Assistant

ATTACHMENT

A - 2026 Environmental Sustainability Commission Workplan through January 22, 2026

MEETING SCHEDULED DATE	WORKPLAN ITEMS	ITEM REQUESTED MEETING DATE	COUNCIL STRATEGIC PRIORITY RELATION	TASKS/ACTION	ASSIGNMENT / SUBCOMMITTEE	TIMELINE	STATUS
2026							
JANUARY 22, 2026	ESC WORKPLAN FOR CY 2026	12/9/2025	SUSTAINABILITY	Action - Review and Approve	ESC	monthly	on-going
	DISCUSS ANNUAL REPORT - COUNCIL ITEM	12/9/2025	SUSTAINABILITY	Action - Discuss and Recommend	ESC	annual	
	PRESENTATION - ENERGY UPGRADE PROGRAM	10/23/2025	SUSTAINABILITY	INFORMATIONAL	PUBLIC WORKS	ONE-TIME	
FEBRUARY 26, 2026	ESC WORKPLAN FOR CY 2026		SUSTAINABILITY	Action - Review and Approve	ESC	monthly	on-going
MARCH 26, 2026	ESC WORKPLAN FOR CY 2026		SUSTAINABILITY	Action - Review and Approve	ESC	monthly	on-going
APRIL 23, 2026	ESC WORKPLAN FOR CY 2026		SUSTAINABILITY	Action - Review and Approve	ESC	monthly	on-going
MAY 28, 2026	ESC WORKPLAN FOR CY 2026		SUSTAINABILITY	Action - Review and Approve	ESC	monthly	on-going
JUNE 25, 2026	ESC WORKPLAN FOR CY 2026		SUSTAINABILITY	Action - Review and Approve	ESC	monthly	on-going
JULY 23, 2026 - cancelled							
AUGUST 27, 2026	ESC WORKPLAN FOR CY 2026		SUSTAINABILITY	Action - Review and Approve	ESC	monthly	on-going
SEPTEMBER 24, 2026	ESC WORKPLAN FOR CY 2026		SUSTAINABILITY	Action - Review and Approve	ESC	monthly	on-going
OCTOBER 22, 2026	ESC WORKPLAN FOR CY 2026		SUSTAINABILITY	Action - Review and Approve	ESC	monthly	on-going
NOVEMBER 16, 2026	ESC WORKPLAN FOR CY 2026		SUSTAINABILITY	Action - Review and Approve	ESC	monthly	on-going
	ESC WORKPLAN FOR CY 2026		SUSTAINABILITY	Action - Review and Approve	ESC	monthly	on-going

COMMISSION MEETING ACTION DATE	COMMISSION REQUESTS - TBS	STATUS	ESC MEETING DATE
11/27/2023	CITY SUSTAINABLE PRACTICES - STANDARDS FOR DUAL USE BASINS, RECYCLED WATER USE, IRRIGATION	REQUESTED PRESENTATION FROM ENGINEERING/PARKS	TBD
1/25/2024	PLANNING DIVISION - GENERAL INFORMATION ON ZONING, CEQA, ETC	REQUESTED INFORMATION FROM DIRECTOR EBBS	TBD
1/25/2024	AVA ENERGY AND CITY PARTNERSHIP PRESENTATION	SPEAKING WITH REPRESENTATIVE AND FINDING DATES TO PROVIDE INFORMATION - NOV 2025	TBD
9/26/2024	INFORMATIONAL ITEM TO UPDATE COMMISSION ON SECTION 3 OF THE SAP TARGETS 4-1, MEASURES 5-7 TO 5-16 AND INCLUDE ANY ACCOMPLISHMENTS OR DEFICIENCIES WITH EXPECTED COMPLIANCE DATES, IF ANY.	PLANNING STAFF ASSIGNED FROM DIRECTOR EBBS - GENEVIEVE F.	possibly 4th Qtr?