

June 18, 2024, 7:00 p.m.

City Hall, 333 Civic Center Plaza, Tracy

Web Site: [www.cityoftracy.org](http://www.cityoftracy.org)

Mayor Young called the meeting to order at 7:16 p.m.

There were no actions taken pursuant to AB 2449.

Roll call found Council Members Arriola, Evans, Mayor Pro Tem Davis and Mayor Young present. Council Member Bedolla was absent from roll call. City Council had no declarations of conflict.

Mayor Young led the Pledge of Allegiance.

Pastor Scott McFarland, Journey Christian Church offered the invocation.

1. CONSENT CALENDAR – Motion was made by Council Member Arriola and seconded by Council Member Evans to adopt the Consent Calendar. Roll call found Council Members Arriola, Evans, Mayor Pro Tem Davis and Mayor Young in favor; passed and so ordered. Council Member Bedolla was absent from roll call.
  - 1.A Adoption of June 4, 2024 Special Meeting, Regular Meeting, and Closed Session Meeting Minutes. – **Minutes were approved**
  - 1.B Staff recommends that the City Council adopt a Resolution: 1) approving a Subdivision Improvement Agreement between the City and Lennar Homes of California, LLC for the construction of the 1st Neighborhood Park in Tracy Hills Phase 2 in Tract 4136; and 2) authorizing the City Clerk to file the Agreement with the Office of the San Joaquin County Recorder. – **Resolution 2024-087**
  - 1.C Staff recommends that City Council adopt a Resolution: 1) approving a Master Professional Services Agreement with Associated Right of Way Services, Inc. to provide On-Call Right-of-Way Acquisition Services for the Engineering Division, for an initial term of three years, for a not to exceed amount of \$300,000 per fiscal year, and 2) authorizing the City Manager to administratively extend the length of the contract for up to two additional years. – **Resolution 2024-088**
  - 1.D Staff recommends that the City Council 1) declare certain vehicles and equipment as surplus pursuant to Tracy Municipal Code Section 2.20.310, and 2) approve the sale of such surplus property at public auction to the highest bidder. – **Resolution 2024-089**
  - 1.E Staff recommends that City Council adopt a Resolution approving a General Services Agreement with Karbonous, Inc., a California Corporation, for Tertiary Filters Media Replenishment at the City's Wastewater Treatment Plant in a not-to-exceed amount of \$217,052 for a one-year term. – **Resolution 2024-090**

- 1.F Staff recommends that the City Council adopt a Resolution (1) accepting as complete the construction of the Ammonia Storage- Feed Systems at the Park & Ride Well No. 6 and the Ball Park Well No. 7, Capital Improvement Project 75162, completed by TNT Industrial Contractors, Inc. of Sacramento, California, (2) authorizing the City Clerk to file the Notice of Completion with the San Joaquin County Recorder's Office, and (3) authorizing the City Engineer to release the bonds and retention payment. – Resolution 2024-091
- 1.G Staff recommends that the City Council adopt a resolution (1) accepting the public improvements for Tracy Hills Phase 1B Park hereinafter known as Gene Birk Park, constructed by Lennar Homes of California, LLC, and assuming all future operations and maintenance, (2) authorizing the City Clerk to file the Notice of Completion for Gene Birk Park with the San Joaquin County Recorder's Office, and (3) authorizing the City Engineer to release the Gene Birk Park improvement security in accordance with the terms of the Subdivision Improvement Agreement. Resolution 2024-092
- 1.H Staff recommends that the City Council adopt the following resolutions: 1) approving an On-Call Professional Services List, for Land Surveying Services, for five years, and 2) authorizing the A) execution of a Master Professional Services Agreement with David W. Enke, L.S., to provide Land Surveying Services for an initial term of three years for a not to exceed amount of \$300,000 per fiscal year, and B) City Manager to administratively extend the length of the contract for up to two years. – Resolution 2024-093 approved an On-Call Professional Services List, for Land Surveying Services. Resolution 2024-094 authorized the execution of a Master Professional Services Agreement with David W. Enke.
- 1.I Staff recommends that City Council adopt the following Resolutions: 1) approving an On-Call Professional Services List, for Material Testing Services, for five years, and 2) authorizing the A) execution of a Master Professional Services Agreements with BSK Associates, and Terracon Consultants, Inc., each, to provide Material Testing Services for an initial term of three years for a not-to-exceed annual amount of \$200,000, and B) City Manager to administratively extend the length of the contract for up to two years. – Resolution 2024-095 approved an On-Call Professional Services List for Material Testing Services. Resolution 2024-096 authorized a Master Professional Services Agreement with BSK Associates. Resolution 2024-097 approved a Master Services Agreement with Terracon Consultants, Inc.
- 1.J Staff recommends that City Council adopt Resolutions: 1) approving an on-call list, for three years, of qualified consultants for environmental review services and planning assistance; and 2) authorizing the execution of six separate Master Professional Service Agreements with such qualified consultants, each for an initial term of three years and a not-to-exceed annual amount of \$500,000. – Resolution 2024-098 approved an on-call list of qualified consultants for environmental review services and planning assistant. Resolution 2024-099 authorized the execution of a Master Professional Services Agreement with De Novo Planning Group. Resolution 2024-100 authorized the execution of a Master Professional Services Agreement with EMC Planning Group. Resolution 2024-101 authorized the execution of a Master Professional Services Agreement with First Carbon Solutions., Resolution 2024-102 authorized the execution of a Master Professional Services Agreement with Land Logistics. and Resolution

**2024-103** authorized the execution of a Master Professional Services Agreement with MIG. **Resolution 2024-104** authorized the execution of a Master Professional Services Agreement with Placeworks.

2. ITEMS FROM THE AUDIENCE – Multiple community members from Tracy Hills thanked Mayor Pro Tem Davis and Fire Chief Bradley for visiting Tracy Hills. Requested that Council address issues, specifically to ask the developer to build a wall that can act as protection from fires, add multiple outlets in and out of the area and better communication and transparency for the affected residents of the area.

Virginia Cordova stated the Byron Estates notice was sent out and was concerned that the item was not on this agenda for discussion.

Robert Tanner expressed concerns regarding the proposed increase to the Council Members and Mayor stipends and how that increase would impact the City's budget.

Mike Souza, Project Manager from Tracy Hills thanked first responders for the work that was done in Tracy Hills and expressed that they are working closely with Fire Chief Bradley to address resident and Council concerns.

Alice English stated that the pay raise item was addressed late after the public was not there to voice their opinion and asked that the City Attorney and staff look into the ability of Council to give themselves a raise and stated that Council should not be able to give themselves a raise especially since Council has failed the City and Community.

Community Member expressed concerns over the overdoses in the motels and hotels in the City and that as part of the homeless community shared that the shelter is not in the best location due to the air quality there.

Dotty Nygard shared that the construction on Bessie Rd has taken 12 months rather than the proposed 8 months and requested an update on when that project will be completed.

### 3. REGULAR AGENDA

- 3.A Staff recommends that the City Council conduct a public hearing and upon conclusion adopt a resolution ordering the levy and collection of assessments within the Tracy Consolidated Landscape Maintenance District for Fiscal Year 2024/2025.

Mayor Young opened the public hearing.

Nilo Velazquez, Management Analyst II provided the staff report and presentation.

Council questions and comments followed.

Alice English asked when the LMD rates were raised last and shared historical information regarding the condition of the parks and lack of maintenance and shared that the maintenance of the parks should be taken care of using the City funds and not increasing the LMD for the citizens, since citizens already pay their taxes.

Harris McGee expressed his disappointment at the lack of the City caring for the landscape and his distrust in the City caring for the parks and trees and that he has sent emails for over two-years for basic community needs and asked that Council may want to consider changing the zone approach and requested Council approve that budget.

Council Member Bedolla responded to Mr. McGee's comment.

Council comments continued.

Mayor Young closed the public hearing.

**ACTION:** Motion was made by Council Member Arriola and seconded by Council Member Bedolla to adopt **Resolution 2024-105** ordering the levy and collection of assessments within the Tracy Consolidated Landscape Maintenance District for Fiscal Year 2024/2025. Council Member Bedolla abstained from voting on Zone 7, Mayor Pro Tem Davis abstained from voting on Zone 15, Council Member Evans abstained from voting on Zone 20, and Mayor Young abstained from voting on Zone 15. Roll call found all in favor; passed and so ordered.

3.B Staff recommends that the City Council discuss options to amend Chapter 6.04 (Business Taxes) of the Tracy Municipal Code and direct staff to return with a future ordinance 1) amending Chapter 6.04 to provide a temporary fifty percent rate reduction and industry specific amendments, or 2) through some other method of amending Chapter 6.04.

Sara Cowell, Finance Director provided the staff report.

Council comments and questions.

Alice English expressed frustration that this item is not a workshop that should not be set by time limits, and that in doing this is redundant that this agenda item keeps coming back, requested to a workshop/work session and that as this item is being presented is not transparent.

Robert Tanner asked Mayor Pro Tem Davis about the handout that she provided to staff and public.

Mayor Pro Tem Davis responded.

Robert Tanner shared that business owners are looking to move out of town because Council is not getting the job done and that Council is wrong in attempting to make up the funds that the potential changes to ecommerce would create.

Dave Merriam, Plant Manager from Leprino Foods expressed confusion as to why businesses are here because the impression, that based on the motion Council made at the last meeting that there would be an open dialogue to come together so that Council could make an informed decision and urged Council to not make a decision tonight.

Dave Brown from the Harvey Auto Group stated that their dealership brings jobs to the community and tax revenue but that the proposed tax is unreasonable and expressed that \$50 is too low and that there should be a compromise where the City and businesses can come up with a solution. Urged Council to not make a decision on this item.

Vasek Harvey, Tracy Mazda General Manager stated that the business tax is the largest business tax in the area and compared to the City of Hayward, stated that the tax rate should be updated but not to this level, and asked Council to consider business margins based on industry.

Burnell Schull stated this has been a problem and compared to neighboring cities and Tracy is driving businesses away and there are many empty warehouses in the City and asked that Council tax the corporations rather than the small businesses.

Daniel Diaz, Store Team Leader from Raleys requested a more robust discussion and expressed concerns in the drastic jump in the business tax and that the tax change will impact labor first and then prices and the City of Tracy would be in the top five of fees within all the cities and states that Raleys does business in.

Robin Lopez from Taylor Farms stated this business tax has impacted the ability for them to provide community outreach, thanked Mayor Pro Tem Davis on the communication and handout, requested that the sunset be extended from the proposed 2-year sunset and looks forward to a more robust discussion. Urged Council to not decide on this item without more discussion.

Council questions and comments followed.

Dave Merriam, Plant Manager from Leprino Foods stated that the businesses understood from the last Council Meeting, that there would be a workshop or at least a robust discussion.

Dave Brown asked if it was reasonable to extend the moratorium.

Bijal Patel, City Attorney clarified that yes, the moratorium could be extended but it must be done at the July 2, 2024 City Council Meeting.

Council questions and comments continued.

Midori Lichtwardt, City Manager, requested a recess for a discussion with staff at 10:39 p.m. and returned to open discussion at 10:44 p.m.

Ms. Lichtwardt recommended that Council consider extending the moratorium and once clear information can be provided to Council, the budget will be reduced by \$1.3 million and come back and adjust budget accordingly once Council has a decision on the business tax and there will be further information on the June 25<sup>th</sup> meeting.

It was the consensus of the Council to accept staff's recommendation.

4. ITEMS FROM THE AUDIENCE – John Palmer from Tracy Hills wanted to clarify that Tracy Hills pays property taxes to the County according to what the San Joaquin County Tax Assessor has set in place, Tracy Hills residents pay property taxes, clarified that they have HOA dues, Mello Roos and that residents pay as much or more than most City of Tracy residents.

Council Member Bedolla asked staff for clarification on the taxes that are specific to Tracy Hills. Karin Schnaider, Assistant City Manager responded.

Community Member shared that Tracy Hills residents do in fact pay property taxes and that whatever arrangement the City has with the County is not a problem of the residents.

Alice English shared support for the Tracy Chamber of Commerce and is glad that the discussion will be coming back to Council in the form of a workshop, just like they did with the Finance Committee and asked staff to be more transparent with Council.

5. STAFF ITEMS –. Midori Lichtwardt, City Manager apologized to Council on missing the mark. Will bring an I-580 Corral Hollow Interchange update, will come back June 25<sup>th</sup> for Council to provide staff direction.
6. COUNCIL ITEMS – Council Member Bedolla asked for further clarification regarding the tax revenue from Tracy Hills and asked how much of the tax goes to the City. Karin Schnaider, Assistant City Manager provided clarification.

Council Member Evans thanked the Police Activities League and requested an update on Bessie Road. Council Member Arriola supported the request.

Council Member Arriola attended the Donut Dash and wished everyone a Happy Juneteenth and will be attending his final Young Elected Officials Conference in Washington DC since he will be aging out soon.

Mayor Pro Tem Davis requested support for South San Joaquin County Fire Authority regarding an update and asked that the Council consider funding for the South San Joaquin County Fire Authority for ambulance service to be put on the agenda for July 2<sup>nd</sup>. Council Member Evans supported the request.

Mayor Pro Tem Davis attended the Donut Dash, Ag Fest, and Law and Order Dinner and Award Ceremony, congratulated Tracy Police Officer of the Year Mark Silva and DLA Firefighter of the Year Mark Haynes, also attended several events at the Grand Theatre and asked when the Food Truck Ordinance is coming back.

Karin Schnaider, Assistant City Manager clarified that the item is still in discussion with stakeholders, Chamber, and Planning Commission and may come back in September.

Mayor Pro Tem Davis shared that the County has a program to help small businesses called Shop San Joaquin.

Mayor Young shared that she will be raising the Juneteenth flag at 8:00 a.m. at City Hall, attended Juneteenth Celebrations in Mountain House and Lathrop, shared a note asking about reimbursements for the parklets, specifically on behalf of Town and Country.

7. ADJOURNMENT – Time: 11:20 p.m.

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

The above agenda was posted at the Tracy City Hall on June 13, 2024. The above are action minutes. A recording is available at the office of the City Clerk.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk