

March 15, 2011, 7:00 p.m.

City Council Chambers, 333 Civic Center Plaza

Web Site: www.ci.tracy.ca.us

Mayor Ives called the meeting to order at 7:22 p.m., and led the Pledge of Allegiance.

The invocation was provided by Pastor Jessica Richmond, Seventh Day Adventist Church.

Roll call found Council Members Abercrombie, Elliott, Rickman, Mayor Pro Tem Maciel and Mayor Ives present.

Mayor Ives presented 2010 Certificates of Commendation to Paul O'Neal – Firefighter of the Year; Carlos Ramirez – Police Officer of the Year; Diane Manuel – Civilian Employee of the Year; and Mario Ysit – Volunteer of the Year.

Mayor Ives presented a proclamation to Liza Cruz, Regional Manager, San Joaquin American Red Cross proclaiming March as American Red Cross Month.

1. CONSENT CALENDAR - Following the removal of item 1-I by Council Member Abercrombie, it was moved by Council Member Abercrombie and seconded by Council Member Elliott to adopt the Consent Calendar. Roll call vote found all in favor; passed and so ordered.
 - A. Minutes Approval – Regular meeting minutes of January 18, 2011, and closed session minutes of March 1, 2011, were approved.
 - B. Authorization to Enter into a Master Professional Services Agreement with Willdan Financial Services for Administrative, Engineering, and Financial Services for the Tracy Consolidated Landscape Maintenance District and Authorization for the Mayor to Sign the Agreement – Resolution 2011-052 authorized the agreement.
 - C. Find it is in the Best Interest of the City to Forego the Formal RFP Process; Authorize an Amendment to the Professional Services Agreement with RHJ Consulting Inc, a California Company dba Innovative Technologies Ltd., for an Amount Not to Exceed \$272,500 to Assist the Tracy Police Department in Vendor Selection, Contract Negotiations and the Implementation Process of a New Computer Aided Dispatch/Records Management System, and Authorize the Mayor to Execute the Amendment – Resolution 2011-053 authorized foregoing the formal RFP process and approved an amendment to the Professional Services Agreement.
 - D. Acceptance of the Construction Emergency Storage Pond and Drying Beds Improvements Project - CIPs 74004, 74080, & 74077, Completed by A. Tiechert & Sons, Inc., dba Tiechert Construction, California, and Authorization for the City Clerk to File the Notice of Completion – Resolution 2011-054 accepted the project.

- E. Acceptance of the Community Center Rehabilitation (Wall Coverings) Project - CIP 78108, Completed by Gowan Construction Co. Inc., of Tracy, California, and Authorization for the City Clerk to File the Notice of Completion – Resolution 2011-055 accepted the project.
- F. Approving Consent of an Assignment and Assumption Agreement for the Existing Development Agreement of the Bank of America Properties with the New Buyer, Authorizing the Mayor to Execute the Agreement, and Authorizing the City Clerk to File the Agreement with the San Joaquin County Recorder – Resolution 2011-056 approved the agreement.
- G. Approve an Activity Agreement with the San Luis Delta Mendota Water Authority (WA) to Reimburse the WA for Administrative Costs Incurred from Evaluating and Assisting the City of Tracy's Application for Proposition 84 and 1E Grant Funding to Complete a Portion of the City's Recycle Water Distribution System, Authorize an Appropriation of \$20,000 from Wastewater Fund 521, and Authorize the City Manager to Execute the Agreement – Resolution 2011-057 approved the activity agreement.
- H. Approve Task Order 1 (LR-01) to the Master Professional Services Agreement (MPSA-LR1) with Lee and Ro Inc. (L & R), to Provide Professional Services for Design of the Upgrade of the Corral Hollow Road Sewer Lift Station and Force Main on Larch Road – CIP 74097, and Authorize the City Manager to Execute the Task Order – Resolution 2011-058 approved the task order.
- J. Reject Bids for Construction of the Kavanagh Avenue Extension West of Corral Hollow Road Project - CIP 73097, and Authorize Staff to Rebid the Project – Resolution 2011-059 rejected the bids and authorized staff to rebid the project.
- I. Authorize Establishment of Parking Restrictions and Striping Modifications on Dove Drive in Front of Wanda Hirsch Elementary School - Council Member Abercrombie asked if the City was hoping that individuals will pull into the curb line and allow through traffic to pass. Mr. Sharma stated that was correct; that removing the parking will allow a full lane for maneuvering. Council Member Abercrombie inquired if the No Parking zone would be enforced. Mr. Sharma indicated the No Parking included No Stopping.

Council Member Abercrombie asked if there was any other way to re-configure the parking lot. Mr. Sharma indicated staff and the school had looked into various options, and that the school was not open to an additional driveway.

Council Member Abercrombie asked if this was the best plan. Mr. Sharma indicated it would improve circulation and would require enforcement from time to time. The solution would alleviate the problem and the area would be monitored for one year. Mr. Sharma stated the school will work to educate the parents.

Mayor Ives invited members of the public to address Council on the item. There was no one wishing to address Council on the item.

It was moved by Council Member Abercrombie and seconded by Council Member Elliott to adopt Resolution 2011-060 establishing parking restrictions and striping modifications on Dove Drive in front of Wanda Hirsch Elementary School. Voice vote found all in favor; passed and so ordered.

2. ITEMS FROM THE AUDIENCE - Dave Helm, 1000 Central Avenue, addressed Council regarding concerns with the Japanese earthquake and tsunami victims. Mr. Helm requested that Council consider asking citizens to volunteer by donating blood or other necessities to the victims, and to review the procedure the City has in place in case of a natural disaster.
3. PUBLIC HEARING TO CONSIDER A RESOLUTION AUTHORIZING THE OBLIGATION AND EXPENDITURE OF THE ALLOCATED \$100,000 TO BE RECEIVED FROM CITIZENS OPTIONS FOR PUBLIC SAFETY (COPS) GRANT PROGRAM TO THE POLICE DEPARTMENT BUDGET TO IMPROVE FRONT-LINE LAW ENFORCEMENT SERVICES BY PURCHASING TECHNOLOGY AND HIRING ONE FULL TIME PERSON IN THE NEWLY CREATED POSITION OF CAD/RMS SYSTEMS ADMINISTRATOR - Captain Espinoza and Police Chief Thiessen presented the staff report. Captain Espinoza stated that the California State Legislature allocates state funds to local law enforcement agencies to help fight crime through the "Citizens Option for Public Safety" (COPS) program. The State COPS program was initiated through Assembly Bill 3229 and was first funded in California's 1996-1997 budget. The Legislature's commitment for this program to continue into the future appears in the language of Government Code 30061(c)(1).

State COPS funds are allocated to individual governmental agencies through their respective county governments and the amount allocated is based upon the population they serve. Accordingly, the funds allocated to Tracy for Fiscal Year 2010-11 total \$100,000 payable in four quarterly installments of \$25,000. To date, the City has received two installments totaling \$50,000.

In order to utilize these funds, under California Government Code Section 30061(c)(2), "...the city council shall appropriate existing and anticipated moneys exclusively to fund frontline municipal police services, in accordance with the written requests submitted by the chief of police..." These written requests shall be acted upon by the city council at a public hearing. The funds must be used for frontline municipal police services and must supplement but not supplant existing funding. The legislation requires that each local government agency report expenditures of COPS funds to a Supplemental Law Enforcement Oversight Committee formed by the County as an accountability measure.

Law enforcement has become increasingly more reliant upon technological systems to improve their effectiveness in combating crime and increasing efficiencies in delivering service to the community while reducing operating costs. Currently, the Police Department is in the process of implementing a new computer aided dispatch and records management system (CAD/RMS) to benefit the community by increasing efficiencies with which the Police Department handles calls for service and stores and retrieves data.

On occasion the Department will use COPS funds to offset the financial cost of hiring a full time position, if the position can leverage greater service capacity to the community. The Police Department has identified such a need and proposed the hiring for a new job

classification of CAD/RMS Systems Administrator. Currently, a sworn police sergeant is assigned full-time to the implementation of the project. The goal is to hire a civilian CAD/RMS Systems Administrator to learn and monitor the maintenance of the system. The sworn police sergeant position overseeing the CAD/RMS project can then be reassigned to other front line duties, or if there are vacancies, through retirements for example, the sergeant can be reassigned and the vacant position eliminated. This would be a net savings to the City as a sworn police sergeant is more costly than the new proposed position.

The Police Department projects the actual start date for this position to be September 1, 2011. Since all COPS funds must be expended by June 30, 2012, the equivalent of nine months of salary and benefits will be allocated to this position. Thereafter, the position must be absorbed into the FY 12- 13 General Fund budget.

The Police Department intends to use the balance of the FY 2010-11 COPS funds to purchase equipment or technology that assists in reducing potential liability, streamlining efficiencies and/or enhancing the department's service delivery capabilities.

The following are the major itemized expenses on how the funds will be used:

Newly created CAD/RMS systems administrator position \$77,174 - Estimated salary and benefits of \$102,858/yr X .75 yrs (9 months)

Video monitoring system in the Department's detention facility \$ 5,000 - Risk management tool to record interactions between arrestees and staff

Hands-free blue tooth technology for police vehicles \$ 5,000 - Continuation of plan to outfit all police vehicles with hands-free capabilities. Though police are legally exempt, it addresses public perceptions of staff talking on phones while driving.

Total Station scene reconstruction technology system \$10,000 - Used by the traffic unit to reconstruct collision scenes; particularly important tool in major injury and fatality collisions.

Miscellaneous Technology Items \$ 2,826 - The balance will be used to purchase minor technology items or supportive materials for the above technological purchases.

Beginning in FY 12-13, the position must be absorbed into the General Fund budget. While the exact means to fund this position have not been identified, Police Department staff will evaluate where the greatest efficiencies will be gained through the new CAD/RMS system implementation and where personnel adjustments can be made without compromising the quality of service delivery to the community.

Staff recommended that the Council: (1) hold the required public hearing; (2) approve the request to appropriate and expend the COPS Grant funds to add a new CAD/RMS Systems Administrator position and to purchase the aforementioned equipment; (3) that the Human Resources Department be allowed to conduct the appropriate job analysis and compensation package assessment; and (4) that the Council authorize the Budget Officer to amend the Position Control Roster to add the new position of CAD/RMS Administrator position.

Council Member Rickman asked where the money would come from to fund this position in FY 2012/13. Leon Churchill, City Manager, stated from existing City resources. Council Member Rickman asked Mr. Churchill to elaborate. Mr. Churchill responded that changes planned over the next two years would create an opportunity to fund the position.

Council Member Rickman asked if a sergeant could do the job. Captain Espinoza stated not efficiently.

Council Member Rickman stated he was concerned because of the many unknowns. Captain Espinoza stated the new system should provide the City with better technology and reduce double data entries due to current constraints.

Council Member Rickman stated he was concerned with creating a \$100,000 position. Captain Espinoza stated the department needs to civilianize the position and save costs.

Council Member Abercrombie asked staff how confident they were that this was the system that would work best for Tracy. Captain Espinoza stated research continues and a vendor has not yet been selected. Staff is committed to the project which will need to last for the next 10-15 years.

Council Member Elliott inquired whether future COPs grants could be used to fund this project. Captain Espinoza stated the future of COPS grants is unknown and may change due to shortfalls in the state's budget. Captain Espinoza added the City would be prohibited from supplanting an existing project/position.

Council Member Elliott asked if there was an existing civilian qualified to train on this system. Captain Espinoza stated not at this point. Council Member Elliott asked if there was a commitment from the Police Department to identify a position that will become vacant to make up for this new one. Captain Espinoza stated command staff is committed to reducing costs.

Mayor Pro Tem Maciel stated there was a benefit to having a non-sworn person fill the position, although it may require bringing on a staff member with a specific skill set. Mayor Pro Tem Maciel added that although it might sound contrary to the current down-sizing efforts it will help the department work more efficiently.

Mayor Ives invited members of the public to address Council on the item.

Dave Helm, 1000 Central Avenue, asked if it was a canned program that needed to be customized. Captain Espinoza stated the department was looking for a vendor that could supply the City's needs as closely as possible. Mr. Helm asked if there would be space in the system to include Fire. Captain Espinoza stated if the City decides to go in that direction, the program was set up to include Fire.

Mr. Helm stated he was concerned about losing a sergeant position. Chief Thiessen stated it was highly technical and the number of interfaces that need to be built are a key portion of the system. Chief Thiessen stated over time the sergeant should be able to rotate out which will hold the vendor to the contract for someone who really knows the ins and outs of the system.

As there was no one else wishing to address Council the public hearing was closed.

Council Member Abercrombie asked if there was a reason for taking action at this meeting. Captain Espinoza explained that it would take approximately six months to create the job description and advertise the position.

Mayor Pro Tem Maciel asked if there would be on-site technical support available in the beginning. Captain Espinoza stated the consultant is very qualified and there would be support.

Council Member Elliott asked if it would be possible to contract out with someone other than the supplier. Captain Espinoza stated that had been considered, but in dealing with data bases and understanding the law and how the system is integrated into our organization need to be considered.

Council Member Rickman stated he could not support the additional staff person.

Mayor Ives asked that the vendor be able to articulate the ability to link additional programs.

Council Member Elliott indicated he also had misgivings about hiring a new individual to fill the position.

Chief Thiessen stated the money had to be expended before next June. Chief Thiessen added there were other projects, but the CAD/RMS system was the priority.

Mayor Ives stated Council should not micro-manage the department; when cuts come the department will have to make those cuts. Mayor Ives stated he believed a civilian operator was the way to go.

It was moved by Council Member Abercrombie and seconded by Mayor Pro Tem Maciel to adopt Resolution 2011-061 authorizing the obligation and expenditure of the allocated \$100,000 to be received from Citizens Options for Public Safety (COPS) Grant Program to the Police Department budget to improve front-line law enforcement services by purchasing technology and hiring one full time person in the newly created position of CAD/RMS Systems Administrator. Roll call vote found Council Members Abercrombie, Elliott, Mayor Pro Tem Maciel and Mayor Ives in favor; Council Member Rickman opposed. Motion carried 4:1.

4. PUBLIC HEARING TO CONSIDER THE ALLOCATION OF COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND HOME FUNDS FOR FISCAL YEAR 2011-2012 - Ursula Luna-Reynosa, Director of Economic Development, presented the staff report. Ms. Luna-Reynosa stated that CDBG funds are allocated to cities and counties by the U.S. Department of Housing and Urban Development (HUD) for use in projects that demonstrate a minimum of 51% benefit to low and moderate income individuals and families. The estimated amount allocated to the City, as a sub recipient of San Joaquin County, is \$439,330 for FY 2011-2012.

A public notice announcing the availability of CDBG funds and inviting proposals for their use appeared in the Tri-Valley Herald on December 16, 2010. The application was

posted on the City's website and a public meeting was held on December 16, 2010. The deadline to submit proposals for CDBG funding was January 24, 2011.

CDBG regulations list the following categories for proposal requests: Public Facilities, Public Services, Planning, Housing and Administration. Public Services requests are limited to 15% of the total CDBG allocation; 15% of this year's estimated allocation is about \$65,889 but was reduced to \$55,772 since HUD allocated \$10,127 for Fair Housing Assistance. Planning and Administration is limited to 14% of the total CDBG allocation or approximately \$61,506 of this year's allocation.

Historically, the City has received the majority of applications under the Public Services category. In the past, staff reviewed the applications to ensure they complied with the CDBG eligibility criteria and then equally distributed the 15% allocation among the qualified entities. The remainder of the City's allocation has been applied under the Public Facilities category. In the past, fewer applications have been received in this category resulting in a surplus of funds. The protocol has been to award the requested amount with the remainder of the funds going toward an eligible City CIP project. For example, in 2010-2011 \$201,767 of the Public Facilities money went toward improving the accessibility of intersections in downtown.

The City Council has refined the previous CDBG evaluation process so entities that best address the needs of the Tracy community receive priority for funding. On October 5, 2010, the Council approved the following local priorities: 1) economic development/job creation, 2) emergency food and shelter, 3) domestic violence services, and 4) senior/adult services. In order to encourage meaningful citizen involvement, public examination and appraisal of the process, as well as to enhance program accountability, the Council approved staffs' recommendation that a sub-committee of the Parks and Community Services Commission assist City staff in evaluating and ranking CDBG applications. The sub-committee is composed of three members selected annually by the Chair of the Parks and Community Services Commission, and two City staff members.

The sub-committee conducted Special Meetings on February 2, 2011, and February 10, 2011, to evaluate, rank, and make funding allocation recommendations for CDBG applications in the following categories: Public Services (i.e. programs), Public Facilities, and Planning and Administration. The subcommittee established a criterion requiring an applicant to score better than 60 points to receive any funding allocation. The maximum score that could be received under all categories was 100 points.

Nine applications were received under the Public Services category. The top scoring application received 92 points while the bottom scoring application received 50 points. Since the sub-committee decided that any application receiving 60 or less points would not receive funding, two applicants were declined. Seven applications scored above 60. The allocations were calculated as a percentage for each applicant based on their proportionate points divided by the total number of points generated among all seven applicants. This percentage was then applied to the \$55,772 available under the Public Services category to determine how much money each entity should receive.

A total of six applications were received under the Public Facilities category; two submitted by the City. One request came from the Emergency Food Bank. The County suggested not funding this project this year since the County and surrounding cities will

not be funding the proposed project which means they will not have sufficient funds to move forward. Therefore, staff recommended that this request be denied.

During FY 2009-2010 CDBG grant allocations, the Council approved \$70,000 for a Community Garden Project which never moved forward. The Council re-allocated \$48,000 (of the \$70,000) for consultant services associated with downtown. Therefore, \$22,000 was added to the \$373,441 available for Public Facilities bringing the total to \$395,431 for FY 2011- 2012.

The same 60 point threshold was used as described above under Public Services; however, all applicants in this category received over 60 points. The top scoring application received 87 points while the bottom scoring application received 75 points. The allocations were calculated as a percentage for each applicant based on their proportionate points divided by the total number of points generated among five applicants. This percentage was then applied to the \$395,431 available under the Public Services category to determine how much money each entity should receive.

One application was received under the Planning and Administration category. This application scored 58 points and was not recommended for funding.

On March 3, 2011, the Parks and Community Services Commission approved support of the CDBG sub-committee's recommendations for funding allocations for FY 2011- 2012.

As part of the CDBG program, the City will also receive \$151,999 in HOME funds. Staff recommended that the entire amount be allocated to the Down Payment Assistance Loan program for low income households administered for the City by San Joaquin County. Currently, there are no other identified eligible projects. Each applicant that is awarded funds is required to sign an agreement with the City to ensure that the funds are spent in the manner described in the applications.

There will be no impact to the General Fund. The City will receive an estimated \$439,330 in CDBG funds in FY 2011-2012 and \$151,999 in HOME funds.

Staff recommended that the Council allocate \$439,330 in estimated CDBG funds, and \$151,999 in HOME funds to the Down Payment Loan program for FY 2011-2012.

Council Member Elliott asked where the deficiencies were for the rejected project. Ms. Luna-Reynosa indicated the project did not receive enough points when scored by the committee.

Council Member Elliott asked for clarification regarding the HOME funds and what type of down payment assistance it provided. Ms. Luna-Reynosa stated it was administered by the County where each property is eligible for funding and is often combined with the Down Payment Assistance (DPA) program as part of the economic stimulus given by the federal government. Ms. Luna-Reynosa further stated the County has used that DPA program to augment the program and get foreclosed properties occupied.

Mayor Ives opened the public hearing.

Jan Courtrier, on behalf of Tracy City Center Association, thanked the City for the funding. Ms. Courtrier stated they were grateful for the opportunity and believed this project will go a long way to identify downtown as a vibrant part of the city.

Kelly Wilson, 753 W. Lowell, on behalf of the Boys and Girls Club, thanked staff and Council for their continued support. Ms. Wilson stated over 2,600 children were served last year, with 170 kids currently on a waiting list.

Robert Tanner, 1371 Rusher Street, asked if a landmark sign was similar to a way finding sign. Ms. Luna-Reynosa stated it was not the same and explained the difference.

Ms. Courtrier stated the group was looking to develop a brand identity for the downtown and that this sign would be part of it.

As there was no one else wishing to address Council, the public hearing was closed.

It was moved by Council Member Abercrombie and seconded by Council Member Elliott to adopt Resolution 2011-062 allocating Community Development Block Grant (CDBG) and Home Funds for Fiscal Year 2011-2012.

Mayor Pro Tem Maciel applauded staff for developing an objective way of reviewing the applications.

Council Member Rickman thanked all the employees and volunteers who assist Tracy residents.

Mayor Ives thanked the Parks Commission for their help and input.

Voice vote found all in favor; passed and so ordered.

5. INTRODUCTION OF AN ORDINANCE ADOPTING THE 2010 CALIFORNIA BUILDING AND RELATED CODES AND PENALTY PROVISIONS, SPECIFYING WHICH APPENDICES APPLY TO THE CITY OF TRACY, REPEALING CERTAIN SECTIONS OF TITLE 9 OF THE TRACY MUNICIPAL CODE, ADDING SECTION 9.44.050 TO THE TRACY MUNICIPAL CODE TO PROVIDE BYLAWS FOR THE BUILDING BOARD OF APPEALS, AND ADDING CHAPTER 9.62 TO THE TRACY MUNICIPAL CODE TO ADOPT PLACARDING REQUIREMENTS FOR USE IN A POST-DISASTER SAFETY ASSESSMENT - Kevin Jorgensen, Building Official, presented the staff report. Mr. Jorgensen stated new versions of the various codes related to building design and construction are adopted by the State of California every three years. The codes under consideration are the 2010 California Codes that replace the 2007 versions of the same which are set forth in Title 24 of the California Code of Regulations. These California Codes include the following: California Building Code (CBC), California Mechanical Code (CMC), California Plumbing Code (CPC), California Electrical Code (CEC), California Energy Code (CEnC) and the California Historical Building Code (CHBC). Additionally, some of the California Codes are amended International Codes (copyrighted by the International Code Council or ICC), Uniform Codes (copyrighted by the International Association of Plumbing and Mechanical Officials or IAPMO) and the National Electric Code (copyrighted by the National Fire Protection Agency or NFPA),

having been amended by various state agencies and ratified by the California State Building Standards Commission.

Besides new versions of codes, there are three new codes that are new to the City; the California Residential Code (CRC), California Existing Building Code (CEBC) and the California Green Building Standards Code (CGBSC). The CRC provides building requirements for one and two-family structures. Formerly, the requirements for one and two-family structures were found in the CBC and were somewhat restrictive because commercial and residential applications were blended. Hence, the new CRC provides greater latitude for such residential buildings. The CEBC provides seismic strengthening provisions for unreinforced masonry bearing wall buildings. Although the City does not have many unreinforced masonry buildings, such structures can be a hazard during a seismic event. Therefore, to have such provisions whenever upgrades are required, gives clear direction to design. The 2007 version of the CGBSC was largely voluntary. With the 2010 version, it is now mandatory with the exception of its appendices. This publication serves to enhance sustainability in the built environment.

These codes provide minimum requirements and standards for the protection of life, limb, health, property, safety and welfare of the general public, owners and occupants of buildings. California Health and Safety Code section 17922 requires cities to enforce the most recent editions of the California Codes. As such, the 2010 California Codes are required by the State to be enforced beginning January 1, 2011.

The following list of California Codes and corresponding appendices are recommended for adoption:

- 2010 California Building Code; Appendices F, H, K
- 2010 California Electrical Code
- 2010 California Mechanical Code
- 2010 California Plumbing Code; All Appendices
- 2010 California Energy Code; Appendix 1-A
- 2010 California Residential Code; Appendices H, R
- 2010 California Historical Building Code; Appendix A
- 2010 California Existing Building Code
- 2010 California Green Standards Building Code

Several Tracy Municipal Code (TMC) sections contained in Title 9 of the TMC contain references to the 2001 or 2005 editions of the above listed codes rather than the current 2010 editions. To avoid confusion in the enforcement of such codes, the corresponding TMC sections should be amended to reflect the most current version of the state mandated codes.

The CEC lacks administrative provisions and the TMC amendment proposes a reference to the administrative provisions of the CBC. Also, the CBC, CMC, and the CPC all have administrative provisions that essentially parallel themselves in purpose as they provide formalized inspection and plan review processes related to each corresponding code. However, since the CMC and CPC have been copyrighted by IAPMO and the bulk of the other codes by ICC, permit expiration requirements do not harmonize. Therefore, the proposed ordinance seeks to provide such consistency and includes simple to understand administrative provisions that are uniformly implemented across the board

for all codes. There are a number of other administrative modifications that eliminate repetitive language or align existing and renumbered current California Code references.

The CFC, CBC, CRC and the existing TMC have discord related to the requirements for addressing a building. These requirements have been homogenized for uniformity in the proposed ordinance. For example, the CRC, CBC, and CFC require a minimum half-inch stroke for numbers/letters whereas the TMC is silent on stroke width. All the codes require a minimum of four-inch high figures, but only the TMC permits the four-inch figures if they are electrically illuminated. The TMC doesn't address the need for emergency vehicles to readily identify a building from the street, whereas the CRC and CFC give intent in the requirements that a building address must be legible and visible from the street fronting the property. These conflicting requirements will be harmonized with the proposed ordinance.

Most of the 2010 California Building Codes have appendices. Not all appendices are being adopted locally. Such appendices are only enforceable locally when adopted locally. The matrix below identifies all of the appendices recommended for approval and briefly clarifies the reason for recommendation.

Recommended Appendices

- 2010 CBC Appendix F; gives specific requirements enabling rodent-proofing.
- 2010 CBC Appendix H; provides requirements for unique construction aspects of commercial signage.
- 2010 CBC Appendix K; State-mandated requirements for the Central Valley Flood Protection Plan for commercial buildings.
- 2010 CRC Appendix H; provides requirements for unique aspects of patio construction
- 2010 CRC Appendix R; State-mandated requirements for the Central Valley Flood Protection Plan for residential buildings.
- 2010 CPC Appendix A; provides standardization to the sizing of water supply systems.
- 2010 CPC Appendix B; provides explanatory direction for combination waste and vent systems.
- 2010 CPC Appendix D; provides standardization for sizing of storm water and drainage systems.
- 2010 CPC Appendix G; provides standards for graywater systems.
- 2010 CPC Appendix I; provides standardization for specific plumbing installations.
- 2010 CPC Appendix K; provides standards where private sewage disposal systems are found within the City limits.
- 2010 CPC Appendix L; enables alternate plumbing systems where such systems are not specifically covered elsewhere in the CPC.
- 2010 CEnC Appendix 1-A; provides expanded information regarding energy standards and other documents referenced within the CEnC.
- 2010 CHBC Appendix A; clarifies if modifications made to qualified historical buildings meet Federal requirements as the CHBC is intended to work in conjunction with Federal standards.

The matrix below identifies all of the appendices not recommended for approval and also briefly clarifies the reason for exclusion from recommendation.

- 2010 CBC Appendix A; the City's Human Resources Department provides employee qualifications
- 2010 CBC Appendix B; TMC already has Building Board of Appeals provisions.
- 2010 CBC Appendix C; the City does not typically regulate agricultural buildings.
- 2010 CBC Appendix D; the City does not have fire districts within the City.
- 2010 CBC Appendix E; the appendix is reserved.
- 2010 CBC Appendix G; TMC already has requirements for flood-resistant construction.
- 2010 CBC Appendix I; the CRC already has requirements for residential patio covers.
- 2010 CBC Appendix J; the City already has standards for grading.
- 2010 CRC Appendix A; these regulations represent other national code standards.
- 2010 CRC Appendix B; these regulations represent other national code standards.
- 2010 CRC Appendix C; these regulations represent other national code standards.
- 2010 CRC Appendix D; the City does not perform inspections of existing appliances and therefore does not need these prescriptive requirements.
- 2010 CRC Appendix E; these regulations are comparative to the California Code of Regulations Title 25.
- 2010 CRC Appendix F; Tracy has not been known to be an area where radon-resistant construction is required.
- 2010 CRC Appendix G; repetitive requirements already found in CBC.
- 2010 CRC Appendix I; these regulations represent other national code standards.
- 2010 CRC Appendix J; TMC already has requirements for existing buildings and structures.
- 2010 CRC Appendix K; repetitive requirements already found in CBC.
- 2010 CRC Appendix L; the City already has a fee schedule.
- 2010 CRC Appendix M; State laws trump these requirements for home day care.
- 2010 CRC Appendix N; these regulations represent other national code standards.
- 2010 CRC Appendix O; these regulations represent other national code standards.
- 2010 CRC Appendix P; these regulations represent other national code standards.
- 2010 CRC Appendix Q; the cross reference is to a national code standard that is not used in California.
- 2010 CMC Appendix A; this metal duct standard is already referenced in the CMC but is included here as required by the Department of Public

Health and enforced by the local San Joaquin County Health Department.

- 2010 CMC Appendix B; the City does not place gas equipment in operation and therefore does not need these prescriptive procedures.
- 2010 CMC Appendix C; the City does not install and test oil fuel-fired equipment and therefore does not need these prescriptive procedures.
- 2010 CMC Appendix D; these unit conversion tables are readily available standards and are not necessary to adopt.
- 2010 GBSC Appendix A4; additional residential requirements that will have an adverse economic impact to the project.
- 2010 GBSC Appendix A5; additional commercial requirements that will have an adverse economic impact to the project.
- 2010 CEC Annex A; identifies product safety standards which are informational but not necessary to adopt.
- 2010 CEC Annex B; provides an alternate method for calculating ampacities but is not necessary to adopt.
- 2010 CEC Annex C; provides conduit and tubing fill tables that are useful but not necessary to adopt.
- 2010 CEC Annex D; provides load calculation examples that are helpful to understand load calculations but not necessary to adopt.
- 2010 CEC Annex E; these tables represent information from other national code standards.
- 2010 CEC Annex F; provides information for critical operations power systems but is not necessary to adopt.
- 2010 CEC Annex G; provides parameters for supervisory control and data acquisition systems (SCADA) but are not necessary to adopt.
- 2010 CEC Annex H; the City already has administrative provisions for the CEC.

The City's Building Board of Appeals (BBA) met on May 25, 2010, and adopted bylaws in order to be able to conduct its business appropriately. The TMC establishes the need for a BBA and the proposed ordinance incorporates the BBA's bylaws.

Currently, Title 9.56 of the TMC enables the use of the 1997 Uniform Code for Building Conservation within the City. However, the code is completely antiquated and no longer useful for the function of City business as it relates to building conservation. The proposed ordinance would repeal Chapter 9.56.

Placards have been widely used after earthquakes to denote the condition of buildings and structures. In many cases, the placards have been recommended by the Applied Technology Council (ATC). These placards were first used after the Loma Prieta earthquake in 1989. A panel was convened by the ATC to review the ATC-20 and update the document based on the Loma Prieta experience. One of the major revisions to come from that panel was to revise the three basic placards. Unfortunately, most jurisdictions have not officially adopted such placards. Technically, these unofficial placards represent only a recommendation which do not carry the weight of law and cannot be enforced. Adopting the use of placards by ordinance makes them official and enforceable. In past events, there have been a number of reports of placards being removed from buildings by owners or tenants. In other cases, there have been reports of the unauthorized change of placards, usually from UNSAFE to one of the other

categories, RESTRICTED USE or INSPECTED – LAWFUL OCCUPANCY PERMITTED. In both cases, adopting the use of placards by ordinance allows the City to enforce the posting with the Police Department. Additionally, adopting the revised ATC-20 placards, means Tracy will be part of a uniform placard system that is in place throughout the state.

Several sections of Chapter 9.04 of the Tracy Municipal Code are now antiquated and the proposed ordinance would remove them.

Section 9.04.050 currently addresses Tracy's expansive soils by requiring a certain minimum slab thickness and reinforcement of the slab with a minimum of 6" x 6" No. 10 welded wire fabric. The 2010 CBC and CRC set forth specific requirements for the construction of footings that bear upon expansive soils but do not address the slabs themselves. Historically, the City has experienced excessive horizontal and vertical displacement of slabs-on-grade due to our expanding soils. This is the result even with the existing requirement for reinforcement of welded or woven wire fabric. Empirically, the fabric reinforcement is found at the bottom of the slab where it serves no useful purpose. Due to the pervasive local heaving soils and the subsequent damaging deformation of slabs, the proposed ordinance would require that slabs, like footings, be designed to resist the effects of soil volume change.

Most of the changes noted within the 2010 California Codes from previous editions should have minimal impact upon construction, yet constitute a continued effort to achieve the highest levels of safety in the built environment under specified minimum standards. One of the most significant changes is the requirement of fire suppression systems for new single-family dwellings as required by the new CRC. Another new code, the CGBSC, contains many new requirements that have a positive environmental impact and encourage sustainable construction practices.

Government Code section 50022.2 provides an exception to the public hearing requirements for adopting codes by reference for those codes which the City is required to enforce as a condition of compliance with a state statute.

Adoption of the Ordinance will have a fiscal impact. Although the fees collected at permit issuance will not change, the addition of three new codes will create additional work load. The California Residential Code, the California Green Building Standards Code and the California Existing Building Code impose construction requirements upon builders that are necessary to be inspected and plan reviewed by staff in both the plan review and inspection processes. The rate of plan review and inspections performed and the corresponding plan review and inspection production levels will be diminished accordingly. As such, the fiscal impact will be uniformly negative. However, because the State mandates the enforcement of these codes, it may be prudent to consider a future permit and plan review fee adjustment.

Staff recommended that City Council introduce the ordinance.

Bill Sartor stated an amended Ordinance had been provided to Council.

Mayor Ives invited members of the public to address Council on the item. There was no one wishing to address Council.

The Clerk read the title of proposed Ordinance 1157. It was moved by Council Member Abercrombie and seconded by Council Member Elliott to waive reading of the text. Voice vote found all in favor; passed and so ordered. It was moved by Council Member Abercrombie and seconded by Council Member Elliott to introduce Ordinance 1157. Voice vote found all in favor; passed and so ordered.

6. DISCUSS CITY UTILITY BILLING AND COLLECTION PROCESSES AND PROVIDE DIRECTION TO STAFF - Zane Johnston, Finance and Administrative Services Director, presented the staff report. The City utilities of water, sewer and garbage have not fared well in recent years. Revenue is down due to a large volume of vacant homes (homes that go through the foreclosure process). Yet there remains a fixed cost of these utility operations. Water and sewer continue to have net operating losses after the charge for depreciation. Continued operations from this perspective have the effect of reducing the ability to replace plant and equipment in the future. The situation in the garbage fund is more immediate. The City contracts out all garbage service operations and therefore there is no City owned plant or equipment. The operating losses of the garbage fund over the past 4 to 5 years have now depleted the fund's cash. A rate analysis is being prepared and will be presented to the Council this spring.

One factor contributing to the fiscal performance of City utilities is the expense of bad debt write-off which has been exacerbated during the recession and housing crisis. When homeowners "walk away" from houses prior to foreclosure proceedings, inevitably they also leave an unpaid bill for city utilities. Compounding this is the current policy requiring only renters to provide deposits for opening up a utility account. Tenants, even if required to provide a deposit (currently set at \$80), still remain an ongoing source of bad debt. In some communities and utility districts, only owners are allowed to open utility accounts. The owner is responsible for the municipal utility bill and usually includes such in the monthly rent. In Tracy this is the practice for multi-unit residential (and commercial) buildings served by a master meter. For example, the owner of a triplex with one water meter is the account holder and responsible for the City utility bill. But current policy permits the owner of three separate single family rental homes each with their own water meter to allow the tenant to open the City utility account.

The number of vacant homes has also added to the poor fiscal situation for City utilities. The monthly water fee is broken down into two components to reflect the City's cost of providing water service. The fixed meter charge (currently \$11.70 or \$20.40 per month depending upon meter size for most single family homes) covers the fixed cost (i.e. pipe/delivery) of the water system regardless of how much water is consumed and the consumption charge which covers the variable costs (i.e. supply and treatment) associated with the amount of water used by the customer. For vacant homes both the water and sewer monthly charge continues to be applied. If no one is living in the home, the actual charge is reflective of the reduced water use (consumption charge will be less than occupied homes). But continued landscaping water use may be the same with or without someone occupying the home. These charges to a vacant home assume that the City identifies the legal owner which can be murky during the foreclosure process. The City attempts to hold owners responsible through the date that they legally still owned the house either through a normal sell/buy process or when the mortgage company regains ownership through foreclosure proceedings. Often the prior owner has already left the home and is mistaken in the belief that they are no longer responsible for any bill after they moved out.

Vacant homes will inevitably result in lower water revenue due to there being no domestic use (water used within the home for normal living functions) occurring in a large number of vacant homes throughout the City.

Upon vacancy the disposal company picks up the garbage, garden, and recycling totes and the monthly fee of \$29.45 is not charged. Currently, there are about 1,000 vacant homes in Tracy in any given month. During the peak of the foreclosure crisis, this number was in the 1,700 range. With 1,000 homes not being charged the monthly garbage charge of \$29.45 this results in an annual reduction of revenue to the Solid Waste Fund of \$350,000. While there are some associated variable expenses of not having this garbage tonnage (i.e. MRF and landfill), there remains fixed expenses. The garbage collection truck is already driving down the street picking up totes at neighboring properties to the vacant home. There is little savings associated with the collection as a result. This has put strain on the disposal company to keep costs down because the fixed costs are now being covered by a smaller number of ratepayers. It is inevitable that ultimately this will affect the rates paid by the remaining customers.

In the past several years the City has added technology to provide for the more efficient administration of utility billing and collection. Customers can now receive a bill via e-mail and pay through an automatic electronic debit to their bank account. The customer's bill notes the amount due and on what date the automatic payment will be transacted. Customers can also go on line and authorize a payment (as opposed to having an automatic payment) from their credit card or bank account.

In the summer of 2010 the City added the ability for customers to dial in 24/7 to make payments over the phone to their account by either bank account number or through the use of a credit card. These methods assist the City in holding down billing and collection expenses.

Some customers also use their own banking services to initiate electronic payment. The customer authorizes payment to the City via their own bank and this information is transmitted electronically to the City. The most expensive form of payment the City must process is through the receipt of cash. The transaction must be handled in person which takes much more time to process than processing a payment by check received through the mail. There are many factors to the high cost of handling cash and these include the necessity to account for and balance such cash, preparation for the cash and coin to be deposited to the bank, internal accounting controls to insure against possible embezzlement, and transportation of the resulting cash deposit to the bank via armored car, as well as bank fees. In order to address the expenses associated with the variety of City utility billing and collection issues addressed above Mr. Johnston suggested the following solutions for consideration by the Council.

As noted, until the foreclosure crisis hit, most issues with uncollected debt was associated with renters. But now homeowners have begun to leave outstanding bills and there is no deposit from which to offset these remaining charges. Seeking a deposit from anyone who opens up a new account would address this issue. This policy could be implemented as of a certain effective date and thereafter any person opening a new account would be required to pay a deposit. Homeowners closing one account but opening another (i.e. transferring) at the same time could be excluded if desired. No existing account holder would be required to pay a deposit when this new requirement went into effect. It would only be applied prospectively with each new account opened.

The typical minimum bill for City utilities (water, sewer, garbage and storm drain) is about \$80 to \$85 without water consumption. Factoring typical water use, the average monthly bill is about \$110 to \$120. As such, the current \$80 amount does not cover one month of charges. Since City utilities are billed in arrears this means if someone used utilities from February 21, 2011 to March 21, 2011, they would not be billed for those services until March 21, 2011. As such the customer will virtually always have at least one month's worth of charges upon closing an account. The deposit is applied to the closing account and the customer is sent a bill for the balance. It is these remaining balances that are often not paid.

As noted the utility account of a multi-unit building must be in the owner's name. In some instances the homeowners' association of a condo building is the account holder. In these instances the landlord must factor into the rent the cost of City utilities. Yet tenants are allowed to put the services in their name in single family homes serviced by one water meter. When a tenant skips on the bill, the City experiences bad debt. A solution is to allow only property owners to hold accounts. This would also cut down on the administrative expense of having to open and close numerous accounts every time a tenant leaves and a new tenant moves in.

There are currently about 4,860 existing City utility accounts held in the name of a renter. If this change were implemented it would be done prospectively, meaning existing tenant accounts would remain in place until that tenant terminated the account. Thereafter, the property owner would be required to put the account in their name from that point forward.

Government Code Section 54347 permits the City to require "a guaranty by the owner of property that the bills for service to said property or the occupants thereof will be paid." To date, this section has not been enforced. If tenants continue to be permitted to open City utility accounts, it is recommended this provision be fully enforced. An unpaid bill left by a tenant would become the obligation of the owner. This can be a "surprise" to such a landlord. As such, the better alternative might be to not permit the tenant to be the account holder. In this way, the property owner is always responsible and can include the cost of utilities in the rent.

Not only do tenant sign ups result in higher bad debt write off, but they require considerable administrative staff time to process. This is because each time there is a change in the tenant an account must be opened and closed. This also involves sending meter readers to the property. For example, the current tenant moves out and closes the account but a new tenant does not move in immediately. The current account is closed (read taken) and a new account opened in the owner's name. Two weeks later, a new tenant moves in and signs up for the service. The owner's account is closed (another meter read taken) and the account is opened in the name of the new tenant. This is frequently repeated on 4,860 single family homes in rental status.

Reflecting the high cost and labor intensive nature of cash handling the Board of Directors of the Golden Gate Bridge Authority will eliminate cash tolls on the bridge beginning in 2012. FasTrak or other electronic format will be required to cross the bridge. Electronic passes can be purchased at convenience stores in the area. If implemented with the City utility bill payment, customers would be informed well in advance of the date after which cash payments would be directed to other locations in the private sector. Customers without banking accounts or charge cards would be

directed to nearby stores to purchase a money order which could be mailed or dropped off at City Hall. The cost of utilizing cash would be borne by the customer choosing this high cost method of payment and not by the remaining customers through their rates.

Currently, the City outsources the printing and mailing of utility bills. The City transmits a file to a private firm who prints the utility bills and mails them to the customers (along with an enclosed envelope for payment or any other bill enclosure). One such private firm is currently working on a process by which the bill would contain a "cash payment" bar code. The firm is working with a national convenience store chain to accept the cash payment. Data would be transmitted directly to the City regarding such payment and the money would be sent automatically to a City bank account. This service would be available 24/7 to the customer. The customer would pay a fee to the store for the bill payment (just like a fee to obtain a money order) but would not have the added step of getting the payment to the City. This service is anticipated to be available within a year.

Transferring cash payments to other locations instead of City Hall could actually be a service enhancement since such locations are often open to the public far more than City Hall operational hours and in some cases open 24/7. In the future, the Social Security Administration will no longer issue and mail checks and instead will only make direct deposit of such payments. This means that seniors and the disabled receiving such payments must have a bank account. As such, a change in where cash is receipted will not negatively impact seniors or those receiving Social Security disability benefits as they would already have a bank account by which they could write a check if paying their bill in person at City Hall. In addition, they could use this bank account number to make a payment via the phone (they don't need a computer or e-mail).

There is no direct impact to the General Fund as City utility billing and administration matters are funded by the City enterprise funds of water, sewer, garbage and storm drain. Depending upon ultimate action in this regard, significant savings to these funds could be realized.

Staff recommended that the Council discuss various aspects of utility billing and collections processes and provide direction to staff as to methods which Council should consider for future action.

Mayor Pro Tem Maciel stated the City did need to recover its costs and if that meant raising the deposit, that would be reasonable. Mayor Pro Tem Maciel stated that staff should always be available to accept cash.

Council Member Rickman suggested requiring a utility deposit was like a one time fee and asked if the City could require a property owner to guarantee that a tenant pays. Mr. Sodergren stated the City can require a guarantee by the property owner under the Government Code.

Council Member Rickman asked how the City fairs with regular collections. Mr. Johnston stated outstanding debts go to a collection agency and the City receives less than 10%.

Mayor Ives invited members of the audience to address Council on the item.

Don Sader, 16214 Redondo Drive, stated it seemed unreasonable to require the landlord to be held responsible. Mr. Sader suggested a deposit be collected to cover any outstanding bill.

Linda Jiminez, P.O. Box 1065, stated that as a senior who pays in cash, she finds it ridiculous that the City won't take cash. Ms. Jiminez disagreed that property owners should be held responsible for a tenant's outstanding balance. Ms. Jiminez stated the City should require a deposit from the tenant.

Council Member Elliott stated: 1) the City needs to operate on the premise that utilities pay for themselves; 2) garbage fees have to support themselves; 3) cash is the most expensive way of collecting payments. Mr. Johnston stated it probably cost 50% more to collect cash because it is labor intensive.

Council Member Elliott asked if the City would consider lowering the number of personnel if cash was not accepted. Mr. Johnston stated yes, by approximately two full time personnel per year.

Council Member Rickman stated like any business the City has to have more than one type of customer and suggested reducing hours.

Council Member Abercrombie stated he would like to see the deposit issue addressed. Council Member Abercrombie asked how far behind does a customer get before the water is shut off. Mr. Johnston stated 15 days past the 30 days past due notice.

Council Member Abercrombie asked if a deposit of \$250 would cover it. Mr. Johnston stated that legally the City is only able to ask for a fee equal to approximately double the monthly rate. Council Member Abercrombie stated he was not interested in forcing this upon the landlords and that residents still need to be able to pay in cash.

Mayor Pro Tem Maciel stated he needed more information about the cost of tenants skipping. Mr. Johnston stated the amount of bad debt was outlined in the staff report.

Council Member Rickman stated if landlords have to pay utility debt they will cut down on the number of rentals they hold. Council Member Rickman stated times are going to change and it could have a detrimental effect on the residents of Tracy.

Council Member Elliott indicated a marketing effort needed to be done to make the other means of payment other than cash available. Council Member Elliott stated the City still needs to accept cash.

Mayor Ives stated he was in favor of a reasonable deposit for everyone. Mayor Ives suggested offering incentives for other payment methods. Mayor Ives added the City still needed to accept cash.

Mr. Johnston asked for clarification regarding another alternative to collecting cash. Mayor Ives stated other alternatives could be looked into.

Mayor Ives called for a recess at 9:53 p.m. The meeting was reconvened at 9:57 p.m.

7. APPROVAL OF AMENDMENT NO. 4 (PRE-PAID SERVICES) TO THE JOINT EXERCISE OF POWERS AGREEMENT BETWEEN THE CITY OF TRACY AND THE TRACY RURAL FIRE PROTECTION DISTRICT; APPROVAL OF AMENDMENT NO. 3 TO THE AGREEMENT BETWEEN THE CITY OF TRACY AND THE SOUTH COUNTY FIRE AUTHORITY FOR PROVISION OF FIRE SERVICES; AND AUTHORIZATION FOR THE MAYOR TO SIGN THE AMENDMENTS - Zane Johnston, Director of Finance and Administrative Services presented the staff report. Mr. Johnston stated that the City of Tracy (City) and the Tracy Rural Fire Protection District (District) entered into a Joint Powers Authority agreement in September 1999 to form the South County Fire Authority (SCFA). Pursuant to a separate agreement, the City provides labor services to the SCFA so it can meet its obligations to provide fire protection and prevention services to the City and to the District. The District procures additional labor services from the City which in turn are delivered to the Mountain House Community Services District which is not part of the SCFA.

The District has two sources of revenues: (1) its share of property tax (about eleven cents per dollar) and (2) its special fire tax of three cents per square foot of building (with some exceptions for garages, barns etc.) When the SCFA was formed, the consultant working on the formation informed the parties that the District would not have sufficient revenues for approximately seven years at which time the District's revenue should match the cost of fire services. District revenues were expected to grow over time as development occurred within the District on lands that would be annexed to the City of Tracy for development but would NOT be de-annexed from the District. The result is that some areas of the SCFA coverage area are in the City limits but are in the District and not the City for the purposes of funding. The Northeast Industrial Area is the prime example of one of these areas, as well as the 550 home subdivision surrounding the Tracy Sports Complex (commonly referred to as the "Presidio" development and developed as "Lourence Ranch").

True to prediction, the District had operating losses for the first seven years after the SCFA was formed. Unfortunately, the losses were greater than the consultant predicted. The District owes the City approximately \$5.6 million as of June 30, 2008, (after crediting a payment received in August 2008 after the books were closed). The City and District discussed the best way to resolve this debt. The result of these discussions was the concept of a "pre-paid services agreement". Under this concept, the District's current Station 92 located in Banta would be moved further west on Grant Line Road to an area that could continue to service Banta as well as part of the eastern portion of the City of Tracy "proper" (meaning the portion of the City also not in the District). In this way, the City could move its Station 96 farther east to serve the mall area within adopted response times. Such a station location would provide for the optimum and efficient use of existing fire resources because both the District and the City have experienced significant declines in property tax revenue.

Because a relocated Station 92 will provide greater service to the City "proper", the City would have some responsibility for the cost of the operation of this station. Because the District has the existing debt to the City, this debt will represent the City prepaying for fire service delivered from Station 92 to the City proper. The District will continue to be responsible to pay for 100% of the cost of operating Station 92 for a period of 7.5 years from the date the relocated Station 92 opens. Station 92 must be constructed at a location acceptable to the City for the City to make use of Station 92 covering a portion of the City proper. It is anticipated that at the end of this 7.5 year period, a new cost

distribution formula will be adopted to reflect the distribution of fire services between the City and the District at that time.

No additional interest will be added to the debt after June 30, 2008, unless the District does not meet the terms of the pre-paid services agreement. A portion of the debt (13%) will be discharged each year that the District performs under the agreement. At the end of the 7.5 years, the District will no longer have debt as it paid for services that were delivered to the City proper ($13\% \times 7.5 =$ approximately 100%). The District has not incurred any additional annual operating deficits to the City since June 30, 2008 (Fiscal Years 2008/2009 and 2009/2010).

This agreement does not include the obligations of the District as they relate to accumulated leave time of the District's former employees when they became City employees on September 16, 1999. This District will continue to make annual contributions to that liability.

Station 92 construction and ownership will be subject to a separate agreement. It is currently anticipated that 75% of the station will be funded via City funds and 25% by the District. The District may need to finance some or all of its 25% share.

The pre-paid services agreement (Amendment No. 4 to the JPA Agreement) has been drafted by the City Attorney's Office and reviewed by District's Counsel. The District Board of Directors approved Amendment No. 4 on March 7, 2011. A Council subcommittee consisting of Council Member Abercrombie and Mayor Pro Tem Maciel have met and reviewed the draft and recommend approval. Given that many years have passed since the agreement between the City and the SCFA for the City to provide labor forces to SCFA, Amendment No. 3 to the Agreement for Provision of Fire Services was proposed as a clean up measure only.

This action will convert the existing \$5.6 million debt owed by Tracy Rural Fire District to a pre-paid services agreement representing 7.5 years of advance payment to the District to operate a relocated Station 92 which will serve portions of the City of Tracy as well as the District and joint District/City areas. This will not effect the General Fund balance as this debt has not been placed on the City's financial statements due to the view of the City's auditors that such matter was likely not collectable in the short term.

Staff recommended that City Council approve Amendment No. 4 (Prepaid Services Agreement) to the Joint Powers Authority Agreement between the City of Tracy and the Tracy Rural Fire Protection District; approve Amendment No. 3 to the Agreement between the City of Tracy and the South County Fire Authority for Provision of Fire Services; and authorize the Mayor to sign the amendments.

Mayor Ives invited members of the public to address Council on the item. There was no one wishing to address Council on the item.

Council Member Abercrombie asked if this had been presented to the Rural District. Mr. Johnston stated yes; it was approved with one person absent.

It was moved by Council Member Abercrombie and seconded by Council Member Elliott to adopt Resolution 2011-063 approving Amendment No. 4 (Pre-paid Services) to the Joint Exercise of Powers Agreement between the City of Tracy and the Tracy Rural Fire

Protection District; approval of Amendment No. 3 to the agreement between the City of Tracy and the South County Fire Authority for provision of fire services. Voice vote found all in favor; passed and so ordered.

8. SECOND READING AND ADOPTION OF ORDINANCE 1156 AN ORDINANCE OF THE CITY OF TRACY, CALIFORNIA, AMENDING TITLE 3, CHAPTER 3.08, ENTITLED "TRAFFIC REGULATIONS" TO REPEAL SECTION 3.08.600 ENTITLED "VIOLATIONS OF TRAFFIC REGULATIONS—PENALTIES AND FEES", AND REPLACING IT WITH A NEW SECTION 3.08.600 ENTITLED "VIOLATIONS OF PARKING OR EQUIPMENT REGULATIONS-FINES"

The Clerk read the title of proposed Ordinance 1156. It was moved by Council Member Abercrombie and seconded by Council Member Elliott to waive reading of the text. Voice vote found all in favor; passed and so ordered.

It was moved by Council Member Abercrombie and seconded by Council Member Elliott to adopt Ordinance 1156. Roll call vote found all in favor; passed and so ordered.

9. ITEMS FROM THE AUDIENCE – None.

10. COUNCIL ITEMS

- A. Update on an agreement between the County of San Joaquin and AMR-West for Emergency Ambulance Service in San Joaquin County - Chief Nero presented a brief background on ambulance and advanced life support services in the City of Tracy.

Council Member Abercrombie thanked the Chief for meeting with the EMS Director. Council Member Abercrombie asked about particular codes and responses. Chief Nero stated the codes were based on national protocol.

Council Member Abercrombie asked if the City was looking at the possibility of dispatching out of the City's Police Department. Chief Nero stated his next report would be based on what is being done with EMS service today.

Mr. Churchill stated Council was at the point where more discussion was needed. Mr. Churchill stated he was concerned about the presumption that we are moving in that particular area.

Council Member Rickman thanked the Chief for his quick response. Council Member Rickman stated he was concerned about the inter facility transport.

Council Member Elliott asked for clarification regarding dispatching fire units to care facilities. Chief Nero stated Fire is dispatched to everything else where there is a 911 call for service.

Mayor Pro Tem Maciel stated it sounded like a decision had been made that a fire fighter never responds to those calls. Mayor Pro Tem Maciel stated it sounded like a protocol needed to be established. Chief Nero stated that is the work the City is going through.

Mayor Ives invited members of the public to address Council on the item.

Robert Tanner, 1371 Rusher Street, asked if re-stocking supplies could be accommodated in the budget. Chief Nero stated it will not become a separate line item and didn't want to guess at what the cost is but believed it was not an appreciable amount.

Don Sader, 16214 Redondo Drive, asked for clarification regarding it being a contract extension with AMR and suggested it needed to be re-bid. Chief Nero stated it has been classified as a contract extension for the second five year period.

Council Member Abercrombie stated the Salvation Army was accepting clothing, food and cash collections this weekend at the Altamont Raceway from 10 a.m. to 6 p.m.

Mayor Ives stated that the blood bank was looking for donors.

11. ADJOURNMENT - It was moved by Mayor Pro Tem Maciel and seconded by Council Member Abercrombie to adjourn. Voice vote found all in favor; passed and so ordered. Time: 10:28 p.m.

The agenda was posted at the Tracy City Hall on March 10, 2010. The above are summary minutes. A recording is available at the office of the City Clerk.

Mayor

ATTEST:

City Clerk