

TRACY CITY COUNCIL

REGULAR MEETING AGENDA

Tuesday, November 15, 2011, 7:00 p.m.

City Council Chambers, 333 Civic Center Plaza

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

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

Addressing the Council on Items on the Agenda - The Brown act provides that every regular Council meeting shall provide an opportunity for the public to address the Council on any item within its jurisdiction before or during the Council's consideration of the item, provided no action shall be taken on any item not on the agenda. Each citizen will be allowed a maximum of five minutes for input or testimony. At the Mayor's discretion, additional time may be granted. The City Clerk shall be the timekeeper.

Consent Calendar - All items listed on the Consent Calendar are considered routine and/or consistent with previous Council direction. A motion and roll call vote may enact the entire Consent Calendar. No separate discussion of Consent Calendar items will occur unless members of the City Council, City staff or the public request discussion on a specific item at the beginning of the meeting.

Addressing the Council on Items not on the Agenda – The Brown Act prohibits discussion or action on items **not** on the posted agenda. Members of the public addressing the Council should state their names and addresses for the record, and for contact information. The City Council's Procedures for the Conduct of Public Meetings provide that "Items from the Audience" following the Consent Calendar will be limited to 15 minutes. "Items from the Audience" listed near the end of the agenda will not have a maximum time limit. Each member of the public will be allowed a maximum of five minutes for public input or testimony. However, a maximum time limit of less than five minutes for public input or testimony may be set for "Items from the Audience" depending upon the number of members of the public wishing to provide public input or testimony. The five minute maximum time limit for each member of the public applies to all "Items from the Audience." Any item **not** on the agenda, brought up by a member of the public shall automatically be referred to staff. In accordance with Council policy, if staff is not able to resolve the matter satisfactorily, the member of the public may request a Council Member to sponsor the item for discussion at a future meeting. When members of the public address the Council, they should be as specific as possible about their concerns. If several members of the public comment on the same issue an effort should be made to avoid repetition of views already expressed.

Presentations to Council - Persons who wish to make presentations which may exceed the time limits are encouraged to submit comments in writing at the earliest possible time to ensure distribution to Council and other interested parties. Requests for letters to be read into the record will be granted only upon approval of the majority of the Council. Power Point (or similar) presentations need to be provided to the City Clerk's office at least 24 hours prior to the meeting. All presentations must comply with the applicable time limits. Prior to the presentation, a hard copy of the Power Point (or similar) presentation will be provided to the City Clerk's office for inclusion in the record of the meeting and copies shall be provided to the Council. Failure to comply will result in the presentation being rejected. Any materials distributed to a majority of the Council regarding an item on the agenda shall be made available for public inspection at the City Clerk's office (address above) during regular business hours.

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

Full copies of the agenda are available at City Hall, 333 Civic Center Plaza, the Tracy Public Library, 20 East Eaton Avenue, and on the City's website www.ci.tracy.ca.us

CALL TO ORDER

PLEDGE OF ALLEGIANCE

INVOCATION

ROLL CALL

PRESENTATION – Certificate of Recognition – Adopt a Family, Inc.
- D.A.R.E. Recognition

1. CONSENT CALENDAR

A. Minutes Approval

B. Award a Construction Contract for the Traffic Signal Coordination – Grant Line Road (CCTV Installation) Project – CIP 72076 (Federal Project No. CML 5192-031), to W. Bradley Electric, Inc., Of Novato, California, and Authorize the Mayor to Execute the Contract

C. Authorize Amendment of the City's Classification and Compensation Plan and Position Control Roster by Approving the Establishment of Class Specification and Salary Range for Senior Accountant in the Finance and Administrative Services Department; Authorize Amendment of the City's Classification Plan by Approving a Revised Class Specification for Equipment Mechanic II in the Public Works Department

D. Adoption of Resolution Supporting the Extension of the San Joaquin County Abandoned Vehicle Abatement Program until April 2022

2. ITEMS FROM THE AUDIENCE

3. DISCUSS AND PROVIDE DIRECTION ON THE REGULATION OF MEDICAL MARIJUANA

4. CONSIDERATION OF A PROPOSED INCREASE TO SOLID WASTE RATES AND AUTHORIZE STAFF TO HOLD A PUBLIC HEARING FOR THE ADOPTION OF PROPOSED SOLID WASTE RATES

5. ACCEPT THE POLICE DEPARTMENT'S REORGANIZATION EFFORTS: AUTHORIZE AMENDMENT TO THE CITY'S CLASSIFICATION AND COMPENSATION PLANS AND POSITION CONTROL ROSTER BY APPROVING THE ESTABLISHMENT OF CLASSIFICATION SPECIFICATION AND SALARY RANGE FOR POLICE SUPPORT OPERATIONS MANAGER AND PROFESSIONAL STANDARDS OFFICER AND APPROVING THE ADDITION OF ONE POLICE CAPTAIN POSITION, ONE POLICE SUPPORT OPERATIONS MANAGER AND ONE PART-TIME PROFESSIONAL STANDARDS OFFICER

6. SECOND READING AND ADOPTION OF ORDINANCE 1164, AN ORDINANCE OF THE CITY OF TRACY PREZONING THE FILIOS/DOBLER ANNEXATION PROJECT SITE PLANNED UNIT DEVELOPMENT (PUD) APPLICATION NUMBER A/P09-0002

7. ITEMS FROM THE AUDIENCE

8. COUNCIL ITEMS

- A. Appointment of City Council Subcommittee to Interview Applicants for Four Vacancies on the Tracy Arts Commission

9. ADJOURNMENT

October 4, 2011, 4:30 p.m.

Community Center, 300 East Tenth Street

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

1. Call to Order - Mayor Ives called the special joint workshop of the Tracy City Council, Planning Commission, Tracy City Center Association and the Chamber of Commerce to order at 4:31 p.m.
2. Roll Call - Roll call found Council Members Abercrombie, Elliott, Rickman, Mayor Pro Tem Maciel and Mayor Ives present. Planning Commission – Commissioners Mitracos, Johnston, Manne and Ransom present; Commissioner Alexander absent. Tracy City Center Association – Jan Couturier, Dino Margaros and Dan Schack present. Tracy Chamber of Commerce – Lis Aguilera, Larry Benson and Chad Wood present.
3. Items from the Audience - None.
4. PARTICIPATION IN A DOWNTOWN WORKSHOP REGARDING CURRENT EFFORTS AND NEAR TERM AND LONG TERM STRATEGIES TO REVITALIZE DOWNTOWN TRACY – Leon Churchill, City Manager, welcomed the participants to the meeting and stated the workshop would provide an opportunity to discuss current Downtown revitalization efforts and to re-evaluate near term and long term strategies for the area. The workshop included (1) brief summaries of current activities by the Tracy City Center Association (TCCA), the Tracy Chamber of Commerce, and the City; (2) a presentation by Michael Freedman of Freedman Tung and Sasaki, regarding the Specific Plan/Strategic Plan, major findings about Downtown, key areas of City intervention, major concerns about the economy, and ideas for the future; (3) a question and answer session with the Boards and Commissions; and (4) public comments and questions.

Mr. Churchill used a power point in his presentation, and offered the following reasons a downtown is important. A central business district is a prominent employment center, which represents a large concentration of businesses. It serves as an incubator for new business and since most businesses are independently owned profits are kept in town. Downtown is also a reflection of how a community sees itself—a critical factor in business retention and recruitment efforts which represent a significant portion of a community's tax base. The central business district is an important shopping and service center which can be a tourist draw since people want to see unique places. Tracy's Downtown is the historic core of the City which represents a vast amount of public/private investment. Finally, downtowns are usually government centers which provide a sense of community.

Mr. Churchill suggested everyone has a role in the Downtown either as a leader, a representative or an individual.

Mr. Churchill requested one representative from the City, the Chamber and the TCCA give an overview of what their organization is doing in the Downtown area.

Lis Aguilera, Chamber of Commerce, stated significant events for the Chamber include the Bean Festival and July 4. The Chamber also co-sponsors Downtown block parties, mixers, and get-togethers for new business owners. Seminars and workshops to help prospective business owners understand the hardships of starting a business are promoted by the Chamber, as well as commerce and community events.

Jan Couturier, TCCA, stated the TCCA was formed in December 2009, following the dissolution of the DTBIA. The group interacts with Downtown property owners regarding landscape maintenance, clearing sidewalks and parking lots, maintaining flower pots, erecting banners, and continuing from where the DTBIA left off. Ms. Couturier added the TCCA has agreed to a 5-year assessment to fund the community benefit district.

Ms. Couturier stated there are five major categories of business in the downtown, just about split equally among health and beauty which includes medical, dental and hair salons; food and drink; retail and consignment; financial services and real estate, as well as City services. The goal of the TCCA is to continue to develop the Downtown in coordination with the City and the Chamber, and to bring in new businesses which complement what is already in the Downtown.

Andrew Malik, Director of Development Services, stated for the past seven years the City has worked on a number of projects in the Downtown area including the streetscape project, the Fire Administration building, the Grand Theatre and the Transit Station. More recently, the City has acquired the Westside Market and is actively looking for a tenant. The Downtown Plaza, which will be a signature gathering place, is under construction and is scheduled for completion by February 2012. The City also puts on a number of events in conjunction with other organizations including the "Concert Series" and "A Taste of Tracy." The City shows "Movies on the Plaza" and has organized a series of block parties at Sixth and Central. Mr. Malik added that most of these events will be moved to the Plaza when it is completed in an attempt to invigorate the Downtown.

In response to a question from Mr. Churchill regarding whether anyone had anything to add, Ms. Couturier stated TCCA also is responsible for the Wine Stroll, the Halloween and Christmas parades as well as the banner program and the Christmas decorations.

Brent Ives, Mayor, stated the City commissioned the Downtown Specific Plan which needs further discussion. A number of things have been done to improve the Downtown and a lot of public money has been put into the area, but the concern is that it is not quite where we want it to be yet. The City, the Chamber, the TCCA, property owners and the merchants all have a different take on Downtown, and need to get together to figure out what it will take to get to the next level.

Tyler O'Neil, Millennium High Senior and City intern, stated that for him Downtown is a "one stop shop." What is missing is a reason for people, young and old, to spend time in the Downtown. Mr. O'Neil stated the Grand Theatre is a good start but since it does not appeal to everyone a constant activity similar to a bowling alley would give people a place to go and just hang out. Mr. O'Neil added that this could then lead to a possible increase in sales of food and drink, etc.

Clare Atkins, resident, commented that by 7 p.m. everything in the Downtown is closed. Ms. Atkins suggested more lighting and shops that stay open longer, including Sunday afternoons.

Anne Mooney, Downtown resident, stated Downtown residents could be a valuable resource and inquired how the residents will be integrated into the plan.

In response to a question from Mr. Churchill as to "What is downtown?" Pete Mitracos, Planning Commissioner, stated that in the past Tracy's center has been spread out. Mr. Mitracos added a goal of this workshop is to find out where the center of Tracy is located.

John Fisher, representing property owners, questioned why Eleventh Street was included since it doesn't appear to belong in the Downtown.

Ben Curran stated he had been a property owner on Eleventh Street for 28 years and while he supported the Downtown, he did not want a use to be taken away from Eleventh Street and given to Downtown. Mr. Curran commented on the City's attempt to determine where businesses will locate by rezoning Eleventh Street and added that the market place determines where businesses locate.

Mr. Churchill asked, "How can land use controls help us get what we want?" Mr. Churchill introduced Consultant Michael Freedman, Freedman Tung and Sasaki, who included a power point in his presentation.

Mr. Freedman referred to the Downtown Specific Plan and asked the audience to consider two questions, "What does the 4 year-old Draft Plan include?" and "Does the Plan still fit the needs of Downtown?"

The Draft Plan includes:

1. Community Intent – where do we want to take the Downtown?
2. Development Regulations which can change zoning to revitalize the Downtown
3. City Actions (including staff time)

Mr. Freedman pointed out the objective is not to regulate but to use the City's tools to create the environment the City wants. The goal is to achieve sales of \$100 per square foot; currently, the amount is \$35 per square foot.

Revitalization of the Downtown includes capturing leakage by targeting Tracy's strong family demographics; providing uses for things that Tracy residents are currently going elsewhere to buy, and by recruiting select new businesses that complement the existing mix of businesses in the Downtown. Mr. Freedman added that what is in the shops is half the battle; how the Downtown is laid out is the other half. Mr. Freedman used a power point presentation to show examples of well-laid out downtown areas. The mix of uses for both daytime and evening need to be strengthened. For daytime the mix might include a higher concentration of arts and crafts stores; specialty home furnishings and home improvement; children and maternity stores; traditional visual arts supplies to complement visual arts classes at the Grand Theatre; mail service businesses and more Latino-owned stores. For the evening, Mr. Freedman suggested restaurants that complement the existing mix as well as restaurants with an entertainment component, such as Game Works; an additional coffee bar/café for the south end of Downtown; a tea shop and gourmet ice cream store; and after-show venues clustered close to the Grand Theatre, such as a wine bar, need to be considered.

Downtown must be a special place different from other highly valued places in Tracy and must be distinguished from auto-oriented and regional shopping centers. Tracy's Downtown needs to emphasize authenticity, civic buildings, great public places and its history and historic character. Promoting new housing within a half mile of the Downtown core is a sure way to support Downtown businesses and activate the street. High density could make both the Downtown and Eleventh Street more successful. The number of places geared towards families with children also needs to be increased.

Mr. Freedman commented on how the context for revitalization has changed since 2007, and how that impacts the Downtown. Bay area fundamentals remain unchanged and employment growth in the area will encourage demand for homes in Tracy.

Revitalization is driven by retail anchors including supermarkets, department stores, power center uses, movie theatres and large scale retailers. Mr. Freedman offered an explanation of how investors decide where to locate. For example, Trader Joe stores need 30,000 – 50,000 households within a five to seven mile trade area, with a minimum amount of disposable income. Investors also need approximately 40,000 vehicles driving by. Since the Downtown does not have the drive-by numbers, adding to the number of people living in Downtown is critical. The Bowtie area is an opportunity site for housing which is not currently available, so the emphasis should shift to smaller infill sites. Residential development of the western Bowtie area should be encouraged with the possibility of a basketball court as an interim use.

Mr. Freedman suggested that during the next period of growth retail uses essential to the revitalization of the Downtown core should be restricted. In particular, the slow creep of commercial activity further east on Tenth Street and other side streets should be brought to a halt. Uses with similar peak times should be clustered to maximize synergy and street life. For example, daytime-oriented uses should be clustered around Tenth Street and North Central Avenue; nighttime-oriented uses to south Central Avenue and Sixth Street.

Mr. Freedman suggested that Tracy's Downtown is twice as large as it should be compared to other successful downtown areas. Mr. Freedman used Livermore, Mountain View and Santana Row as examples of successful, rebuilt downtowns which are larger than normal, but added they have been successful because they have a large number of vehicles driving by. Consequently, in the current period of weak retail sales the City has to allow offices into the Downtown. Ground floor shops, including offices, should all have shop fronts. Services in the Downtown should be located on the ground floor and should also have shop fronts. New restaurants, bookstores, etc., should not be allowed on Eleventh Street. If a particular business is already located on Eleventh Street it should be grandfathered in, but new businesses needed for the Downtown should not be allowed on Eleventh Street. Mr. Freedman stated the City cannot allow people to locate businesses anywhere they choose and also have a Downtown.

Since the mid-1990's, housing markets have changed, resulting in a huge demand for downtown living, and nationally housing prices are increasing at a 40-200 per cent premium over drivable single family homes. Downtown revitalization is on the increase. The advantages for Tracy's Downtown include City Hall, the Transit Center, homes, offices, transit, shops, food, civic buildings, public plazas and parks, culture and arts, history, classes, nightlife, day life and street life.

The City also needs to partner with the private business community. There is a growing demand for sustainable development, and at least one-third of future housing demand will be for compact housing. In addition, there is a growing interest in cycling and smart growth projects.

To ensure the Specific Plan still fits the needs of Downtown the following actions need to be considered:

1. Update market information
2. Re-inventory sites
3. Update and adopt the Downtown Specific Plan
4. Identify opportunity buildings and barriers to renovation
5. Emphasize small short-term successes e.g. West Side Market, Grow Tracy Seed Fund, build on successful special events, and encourage new energy around the Transit station, the Plaza and the Grand Theatre
6. Streamline approvals
7. Look for untraditional anchors, including educational anchors

Mr. Freedman concluded by stating that adopting the Downtown Specific Plan is not the end of the process but the beginning of revitalization round 2.

In response to a question from Mr. Churchill regarding how the City is doing, Charles Manne, Planning Commissioner, stated he doesn't like the idea of not cleaning up the Bowtie or comparing Tracy's Downtown to other downtown areas.

Dan Schack, TCCA, stated he believed Tracy was doing quite well. Changes to the Specific Plan suggested by Mr. Freedman are consistent with some of the things that are already being implemented. Jan Couturier, TCCA, did a good job summarizing many of the things TCCA has done in the past 18 months. TCCA will continue to try to find businesses willing to invest in Tracy. Mr. Schack added he liked the idea that the Specific Plan has flexibility and also that the core has property owners and business people who are willing to invest in the Downtown. Mr. Schack stated revitalization would not happen overnight, but added he believed we are on the right track.

Larry Benson, Tracy Chamber of Commerce, stated Tracy needs to be made more of a destination, with more retail and more things to do. Mr. Benson added he believed it was important to include Downtown residents and also increase their numbers. Mr. Benson added the City, TCCA and the Chamber can only do so much and need the support of Tracy's residents to make the Downtown a success.

Council Member Abercrombie stated the Downtown hasn't grown since this process began in 2005/2006. Council Member Abercrombie voiced his concern that the Downtown is too large and inquired why this wasn't pointed out in the beginning. Council Member Abercrombie added he was frustrated that the plan now has changed to allow offices on the ground floor when a few years ago this was not the case. Council Member Abercrombie was concerned that the plan may have to change again in five years. Council Member Abercrombie stated he was impressed with the efforts of TCCA, and the amount of time the members commit to the Downtown. Council Member Abercrombie suggested the City wants constructive criticism and asked what can be done from this day forward to improve the Downtown and get to the goal we want to achieve.

Mike Maciel, Mayor Pro Tem, stated it was refreshing to hear Mr. Freedman say there are things the City needs to reconsider. The climate has changed and the City has to constantly reassess what is realistic. The solution does not lie with one entity. The City's function is to be a facilitator and an enabler. The City cannot make businesses stay open later or open on Sundays. The City can help provide an environment and the infrastructure that makes the Downtown more desirable. The Transit Station and the Grand Theatre are enhancements to the Downtown. The City supported the formation of TCCA, a group of people committed to improving the Downtown. Mayor Pro Tem Maciel added the City has taken some huge steps forward, but one thing that hadn't been talked about was the population center downtown. Mayor Pro Tem Maciel added that while the population center in the downtown probably does not meet the economic demographics needed to support the area it is what it is. Currently, the ability to revitalize the Bowtie area is beyond the City's control, and the City has to look to things that are within its control. Mayor Pro Tem Maciel suggested the one question that should be answered is "What is the Downtown." TCCA has a clear idea since they have a geographic district. Mayor Pro Tem Maciel suggested this is an ongoing process and everyone has a different idea of what they want the downtown to be, but this is a positive step forward.

Council Member Elliott stated he was happy with the direction TCCA has taken in the downtown area in cooperation with the Chamber and the City. Council Member Elliott added the focus needs to be on short term successes, particularly in this economic climate. Recruiting businesses such as restaurants which stay open later and which will encourage other businesses to stay open later should be a focus. Council Member Elliott also suggested not giving up on development of the Bowtie for the long term since he believed that was the best bet for increasing the population in the Downtown.

Mayor Ives asked Mr. Churchill to describe the problems with the Bowtie area. Mr. Churchill stated the City had tried to buy the property which is owned by the Union Pacific Railroad (UPRR). The City and the UPRR were able to come to terms on the price of the property, but could not come to terms on liability and clean-up issues. That was when the City turned its attention to construction of the Downtown Plaza. Mr. Churchill added UPRR has some operational plans for activity on that line which have not yet materialized.

Mayor Ives stated the City has not given up on the area and is looking at federal Brownfield grants to help clean up the property and eventually acquire the Bowtie.

Council Member Rickman inquired whether the additional money the City has put into events downtown, including the Farmers Market, the Kelly Pickler concert, the Grand Theatre and the block parties has made a difference. The City has spent \$50 to \$60 million dollars in the past few years but has not yet reached the vision the City wants for Downtown. Council Member Rickman referred to the restricted hours of operation of downtown businesses and pointed out that even on the Bean Festival weekend many businesses were closed and, therefore, were not able to take advantage of the additional traffic Downtown. Council Member Rickman inquired what the City could do better, and suggested a public/private partnership, to try to get people into the Downtown. Council Member Rickman stated he did not agree with building more homes in the Downtown, but believed more amenities would attract more people to the area.

Pete Mitracos, Planning Commissioner, asked Mr. Freedman to discuss Eleventh Street and grandfathering in some of the existing property uses.

Mr. Freedman responded the community wants a successful vibrant downtown, but it is not the only thing the City wants to do for the residents. An investor who is invested in a business should be allowed to have that business in perpetuity. Fairness is important, it's how communities take care of each other, and Mr. Freedman added that fairness could possibly be more important than having a downtown. The City needs to be able to modify its goals for the benefit of the larger community. All Downtown Specific Plan area businesses should be grandfathered in. Mr. Freedman suggested the City could create a temporary extension of 18 months subject to periodic reviews, and added that perhaps six months is not fair.

Earl Breitstein, property owner on Eleventh Street, stated he understood the concept, but asked why the Downtown is more important than the rest of the City. Big O brings a lot of traffic to Downtown, but it is an unwanted business in the City's plans. Mr. Breitstein stated he did not understand why the Downtown area was being extended from Parker to Tracy Boulevard and East to McArthur, because those areas were part of the Downtown plan. Mr. Breitstein related in the past 90 days he had been approached by a representative from a very large corporation for property for a retail establishment with gasoline, but since it is not an approved use today the establishment moved to a location 200 feet away, on the southeast corner of MacArthur and Eleventh, where it is allowed because it is outside the area. Mr. Breitstein asked if the City would allow Firestone to remodel the Big O property on Central and Tenth.

Mr. Breitstein commented on how businesses are suffering during construction on Sixth Street, but added they will benefit from the improvements if they survive. The new Sixth Street property will be beautiful, but it is all government money. Mr. Breitstein stated that Eleventh Street businesses should not be forced to support other businesses in the area.

Tyler O'Neil stated he liked what Mr. Freedman had to say, and believed Tracy was doing fairly well, even though it does not have the amount of drive by traffic. Mr. O'Neil added he agreed that the population should be increased in the Downtown area, and suggested additional housing.

Mary Carr, Tracy Performing Arts Foundation, commented on the difficulty in getting people into the Downtown area to see a production since many people do not know Tracy has a Downtown or even a Grand Theatre. Ms. Carr suggested additional signs promoting the Downtown, similar to those promoting the Farmer's Market and the Wine Stroll. Ms. Carr used Walnut Creek as an example of how a City promotes its downtown activities and suggested the City spend more money advertising downtown events on billboards along the freeway. Ms. Carr stated it was all about promotion.

Dave Helm, Downtown property owner, pointed out a number of differences between Livermore and Tracy. Livermore doesn't have a shopping center but it does have the lab and many of the 50,000 employees live in the area. Mr. Helm stated his dinner service does not start until 7- 7:30 p.m. because of the large number of people who commute into the Bay Area. There are two to three downtown restaurants that open on Sundays. The area needs more restaurants and True Valley Hardware needs a tenant. Livermore encourages biking as well as outside seating in the downtown area. Mr. Helm didn't

believe businesses on Eleventh Street should be limited but suggested if a business is doing well that business should be helped. The Downtown has a lot of retail space, but not a lot of restaurants. Mr. Helm suggested for people to come Downtown they need to feel safe, and welcome and we must provide for their needs. Mr. Helm suggested building more housing in Downtown was not a good idea and asked who would want to live in an 800 sq. ft. apartment when you can buy a 3,000 sq. ft. house that has been foreclosed on. Rather than building additional housing in Downtown we need to capitalize on the housing already there.

Mr. Churchill asked for a show of hands regarding whether everyone was on the same page; and whether we want to energize downtown; whether the downtown is a unique and special place. Mr. Churchill asked the Planning Commission if they had heard enough for their work to go forward.

Charles Manne, Planning Commissioner, mentioned a few things which had not been discussed, i.e. population growth, the ACE train relocating to the downtown. Mr. Manne added there were a few more ACE workshops left, but the impression was that stake holders want change, but don't change me. Mr. Churchill stated the Planning Commission is currently holding workshops on the Downtown Specific Plan.

Mr. Churchill closed by asking if the discussion needs to continue in a similar format. Mayor Ives stated he was concerned that Council not get left out of the process with regard to the workshops being held by the Planning Commission, since eventually the City Council will have to make some decisions. Mayor Ives stated he liked the collective nature of the workshop, and suggested that any steps that need to be taken need to be done in a public forum.

Commissioner Mitracos stated he disagreed with the Mayor. The meetings which were small scale and round table had been successful. Commissioner Mitracos agreed it was important for Council to know what happens at those meetings but added they have been helpful. Mayor Ives suggested the Council needs to have the information it needs to make the decisions. Mayor Ives stated he liked the fact everyone gets an opportunity to speak and suggest different steps which might be taken.

Mr. Churchill stated the dialogue will continue.

5. Adjournment – Mayor Ives adjourned the meeting at 6:25 p.m.

The agenda was posted at Tracy City Hall on September 29, 2011. The above are summary minutes. A recording is available at the office of the City Clerk.

Mayor

ATTEST

Assistant City Clerk

TRACY CITY COUNCIL - SPECIAL MEETING MINUTES

November 1, 2011, 6:00 p.m.

Council Chambers, 333 Civic Center Plaza, Tracy

1. CALL TO ORDER – Mayor Ives called the meeting to order at 6:00 p.m. for the purpose of a closed session to discuss the items outlined below.
2. ROLL CALL – Roll call found Council Members Abercrombie, Elliott, Rickman, Mayor Pro Tem Maciel and Mayor Ives present.
3. ITEMS FROM THE AUDIENCE – Paul Miles, 1397 Mansfield Street, thanked Mayor Ives for reading a statement into the record at the October 4, 2011, City Council meeting. The statement retracted a previous statement which indicated Mr. Miles' complaints were unfounded, that was read into the record by the Mayor at the Council meeting held on October 5, 2010.

Mr. Miles read into the record a letter dated November 1, 2011, addressed to the City Council, which summarized a series of alleged actions by the City Attorney which Mr. Miles believes are negligent and dishonest.

4. CLOSED SESSION -

A. Personnel Matter (Gov. Code, section 54957)

- Public Employee Appointment, Employment, Evaluation of Performance, Discipline, or Dismissal

Position Title: City Attorney

B. Labor Negotiations (Gov. Code, section 54957.6)

- Unrepresented Employee: City Attorney

City's designated representative(s): An individual City Council Member or a subcommittee of the City Council

C. Pending Litigation (Gov. Code, section 54956.9(b))

- Anderson v. City of Tracy, et al
(San Joaquin County Superior Court Case Nos. 39-2009-00223976-CU-WM-STK and 39-2011-00268360-CU-WT-STK, Workers' Compensation Appeals Board Case No. STK 213757)

5. MOTION TO RECESS TO CLOSED SESSION – Council Member Abercrombie motioned to recess the meeting to closed session at 6:07 p.m. Council Member Elliott seconded the motion. Voice vote found all in favor; passed and so ordered.

6. RECONVENE TO OPEN SESSION – Mayor Ives reconvened the meeting into open session at 6:58 p.m.
7. REPORT OF FINAL ACTION – None
8. ADJOURNMENT – Mayor Ives adjourned the meeting at 6:58 p.m.

The agenda was posted at City Hall on October 27, 2011. The above are action minutes.

Mayor

ATTEST:

City Clerk

AGENDA ITEM 1.B

REQUEST

AWARD A CONSTRUCTION CONTRACT FOR THE TRAFFIC SIGNAL COORDINATION – GRANT LINE ROAD (CCTV INSTALLATION) PROJECT – CIP 72076 (FEDERAL PROJECT NO. CML 5192-031), TO W. BRADLEY ELECTRIC, INC., OF NOVATO, CALIFORNIA, AND AUTHORIZE THE MAYOR TO EXECUTE THE CONTRACT

EXECUTIVE SUMMARY

The Traffic Signal Coordination for Grant Line Road is an approved Capital Improvement project. City Council is being asked to award a construction contract for installation of Closed Circuit Television (CCTV) Cameras at six intersections along Grant Line Road between the western city limits and Mac Arthur Drive – CIP 72076 (Federal Project No. CML 5192 (031).

DISCUSSION

This project provides for installation of six closed circuit television (CCTV) cameras at six signalized intersections (Walmart entrance, Joe Pombo Parkway, Corral Hollow Road, Tracy Boulevard, Holly Drive and Mac Arthur Drive) on Grant Line Road from the western city limits to Mac Arthur Drive. Installation of these cameras will enable staff to monitor and review traffic conditions at these intersections from the City's traffic control center located in the Support Services Building; thus enabling staff to change and adjust timing at these intersections to enhance traffic circulation on Grant Line Road and other intersecting streets. Most cities in the Bay Area and the San Jose Valley are installing such cameras at their street intersections. These cities include Pleasanton, Livermore, Fremont and Modesto.

The City applied for Congestion Management and Air Quality (CMAQ) grant funding and received an allocation of \$120,000 from the State of California towards construction of this project.

Project design, improvement plans, specifications, and contract documents were prepared by TJKM Transportation Consultants of Pleasanton, California. The project was advertised for competitive bids on September 5 and September 12, 2011. The City received 5 bids on October 5, 2011 follows:

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|---|-----------|
| W. Bradley Electric, Novato, CA | \$116,500 |
| Bockmon & Woody Electric, Stockton, CA | \$132,043 |
| Stieny and Company, Vallejo, CA | \$133,628 |
| Tennyson Electric, Livermore, CA | \$137,310 |
| Pacific Excavation, Inc., Elk Grove, CA | \$138,532 |

W. Bradley Electric, Inc., is the lowest monetary bidder. The bid analysis indicates that the bid is responsive and the bidder is responsible. The contractor has good references and has completed similar projects for the City and other agencies.

Staff recommends that the construction contract for the Traffic Signal Coordination – Grant Line Road (CCTV Installation) Project - CIP 72076, be awarded to the low bidder, W. Bradley Electric Inc., of Novato, California, for their bid amount of \$116,500.

The anticipated cost for construction of this project if awarded to Pacific Excavation is estimated as follows:

| | <u>Amount</u> |
|------------------------------------|------------------|
| Construction Bid | \$116,500 |
| Contingency (~10%) | \$ 11,650 |
| Design | \$ 18,000 |
| Design Support during Construction | \$ 2,000 |
| Inspection (~5%) | \$ 5,000 |
| City wide Project Management | <u>\$ 10,000</u> |
| Total Project Cost | \$163,150 |

A total of \$164,000 is budgeted for this project. Out of this amount, \$120,000 has been approved from a CMAQ grant, and the remaining funding will come from the Gas Tax Fund.

If the project is awarded to W. Bradley Electric Inc., it is anticipated that construction will commence by December 1, 2011, with completion expected by the end of February 2012.

STRATEGIC PLAN

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

FISCAL IMPACT

The project is an approved Capital Improvement Project partly funded from the Gas Tax Fund and partly from CMAQ grant funds as follows:

| | |
|--------------|-----------|
| Gas Tax Fund | \$ 44,000 |
| CMAQ Grant | \$120,000 |

There will be no impact to General Fund.

RECOMMENDATION

That City Council, by resolution, award a construction contract to W. Bradley Electric., of Novato, California in the amount of \$116,500, for the Traffic Signal Coordination – Grant Line Road (CCTV Installation) Project – CIP 72076 (Federal Project No. CML 5192-031), and authorize the Mayor to execute the contract.

Prepared by: Ripon Bhatia, Senior Civil Engineer
Reviewed by: Kuldeep Sharma, City Engineer
Approved by: Andrew Malik, Development and Engineering Services Director
Leon Churchill, Jr., City Manager

RESOLUTION 2011- _____

AWARDING A CONSTRUCTION CONTRACT FOR THE TRAFFIC SIGNAL COORDINATION – GRANT LINE ROAD (CCTV INSTALLATION) PROJECT – CIP 72076 (FEDERAL PROJECT NO. CML 5192-031), TO W. BRADLEY ELECTRIC, INC., OF NOVATO, CALIFORNIA, AND AUTHORIZING THE MAYOR TO EXECUTE THE CONTRACT

WHEREAS, The Traffic Signal Coordination for Grant Line Road is an approved Capital Improvement project, and

WHEREAS, This project provides for installation of six closed circuit television (CCTV) cameras at six signalized intersections on Grant Line Road from the western city limits to Mac Arthur Drive, and

WHEREAS, The City applied for Congestion Management and Air Quality (CMAQ) grant funding and received an allocation of \$120,000 from the State of California towards construction of this project, and

WHEREAS, The project was advertised for competitive bids on September 5 and September 12, 2011, and the City received 5 bids on October 5, 2011, and

WHEREAS, W. Bradley Electric, Inc., is the lowest monetary bidder; the bid analysis indicates that the bid is responsive and the bidder is responsible, and

WHEREAS, Staff recommends that the construction contract for the Traffic Signal Coordination – Grant Line Road (CCTV Installation) Project - CIP 72076, be awarded to the low bidder, W. Bradley Electric Inc., of Novato, California, for their bid amount of \$116,500, and

WHEREAS, The project is an approved Capital Improvement Project partly funded from the Gas Tax Fund and partly from CMAQ grant funds as follows: Gas Tax Fund \$44,000; CMAQ Grant \$120,000, and there will be no impact to General Fund;

NOW, THEREFORE, BE IT RESOLVED That City Council awards a construction contract to W. Bradley Electric., of Novato, California in the amount of \$116,500, for the Traffic Signal Coordination – Grant Line Road (CCTV Installation) Project – CIP 72076 (Federal Project No. CML 5192-031), and authorizes the Mayor to execute the contract.

The foregoing Resolution _____ was adopted by the Tracy City Council on the 15th day of November, 2011 by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

MAYOR

ATTEST

CITY CLERK

AGENDA ITEM 1.C

REQUEST

AUTHORIZE AMENDMENT OF THE CITY'S CLASSIFICATION AND COMPENSATION PLAN AND POSITION CONTROL ROSTER BY APPROVING THE ESTABLISHMENT OF CLASS SPECIFICATION AND SALARY RANGE FOR SENIOR ACCOUNTANT IN THE FINANCE AND ADMINISTRATIVE SERVICES DEPARTMENT; AUTHORIZE AMENDMENT OF THE CITY'S CLASSIFICATION PLAN BY APPROVING A REVISED CLASS SPECIFICATION FOR EQUIPMENT MECHANIC II IN THE PUBLIC WORKS DEPARTMENT

EXECUTIVE SUMMARY

This report recommends the establishment of a new classification of Senior Accountant in the Finance and Administrative Services Department and revisions to the job specification for Equipment Mechanic II classification in the Public Works Department. The recommended changes are needed to continue implementation of reorganization efforts as a result of the City's Workforce Reduction Plan.

DISCUSSION

On October 4, 2011, City Council approved an Incentivized Workforce Reduction which included elimination of eighteen positions and reclassification of six positions to a lower level.

The establishment of the Senior Accountant classification facilitates a portion of the organizational change to occur in the Finance and Administrative Services Department. The position will replace the Accounting Officer position upon the retirement of the incumbent and will ensure that the highly responsible accounting work related to the preparation and maintenance of accounting systems, records, and financial reports, will continue.

In addition, the Human Resources Department is recommending a revision to the class specification for Equipment Mechanic II in order to reflect current demands and requirements of the position, which is allocated in the Public Works Department.

Establish Class Specification and Salary Range: Senior Accountant – Finance and Administrative Services Department

The new position will maintain many of the duties of the Accounting Officer classification but will serve in a functional lead role in the performance of duties, rather than as a supervisor. In analyzing the duties, skills, experience, and compensation for this new classification, Human Resources staff evaluated similar classifications in other jurisdictions for appropriate market comparability and equity.

The recommended monthly salary range for the new classification is \$6,450 to \$7,841 (\$77,400 to \$94,092 annually) which is 15% less than the salary range for the Accounting Officer position.

Revise Class Specification for Equipment Mechanic II – Public Works Department

Prior to beginning any recruitment for a vacancy which has been approved by the City Manager to fill, Human Resources performs a classification review to assure the job specification contains the duties required as well as includes all of the knowledge, skills and abilities needed. A revision of the Equipment Mechanic II classification is recommended to bring the job specification up to date. A recent review of the classification illustrated outdated duties and practices. Changes made to the classification stem from additional skills and abilities needed, including enhanced knowledge of automotive/mechanical technology. The position will specify requirements for additional certifications, such as Automotive Service Excellence Certification, including Medium/Heavy Duty Automotive Service Excellence (ASE) Certificates in Brakes (T4) and Preventive Maintenance & Inspection (T8), and the Inspection of heavy trucks for compliance with California Highway Patrol (CHP) Biennial Inspection of Terminals, (BIT) inspections. The classification will also be reporting to a Superintendent in the Public Works Department rather than a Supervisor.

No changes to the salary range of Equipment Mechanic II are being recommended.

STRATEGIC PLAN

This agenda item supports the organizational efficiency strategic plan and specifically implements the following goal:

Goal 4: Ensure long-term viability and enhancement of the City's workforce

FISCAL IMPACT

The recommended salary range for the Senior Accountant position is \$77,400 to \$94,092 per year. Replacement of the current Accounting Officer position with the Senior Accountant position will save approximately \$18,500 per year.

There is no fiscal impact associated with the Equipment Mechanic II position as there is no change to the salary range.

RECOMMENDATION

That the City Council, by resolution, authorize the Human Resources Director to amend the City's classification and compensation plans and the Budget Officer to amend the City's position control roster by approving the establishment of a class specification and salary range for Senior Accountant, and amending the classification for Equipment Mechanic II.

AGENDA ITEM 1.C
November 15, 2011
Page 3

Prepared by: Arlene Roberts, Human Resources Analyst

Reviewed by: Zane Johnston, Finance & Administrative Services Director
Kevin Tobeck, Public Works Director
Maria Olvera, Human Resources Director

Approved by: R. Leon Churchill, City Manager

Attachments: Exhibit A – Senior Accountant Job Description
Exhibit B – Equipment Mechanic II Job Description

SENIOR ACCOUNTANT

Class Title: Senior Accountant
Division: Finance
EEO Code: 76
FLSA Status: Exempt

Class Code: 30XXX
Bargaining Unit: Mid-Managers
Effective Date: 11/15/11
Revision History: N/A

DESCRIPTION

The Senior Accountant performs a variety of advanced technical and highly responsible accounting work relative to the preparation and maintenance of accounting systems and records, and financial reports. Assists and directs accounting support staff with the coordination and organization of the City's accounting operations.

SUPERVISION RECEIVED AND EXERCISED

The Senior Accountant receives supervision from the Finance Director/Administrative Services Director.

The Senior Accountant may exercise lead and functional direction over technical and clerical accounting staff.

EXAMPLES OF IMPORTANT AND ESSENTIAL DUTIES

Duties may include, but are not limited to the following:

Prepares, develops, and reviews various accounting procedures to ensure compliance with current accounting practices, legal mandates, and special grant funding requirements. Evaluates internal controls related to accounting procedures to facilitate practical improvements and certify efficiency and accuracy of information.

Maintains the City's capital asset information. Prepares various journal entries, year-end adjusting journal entries, monthly bank reconciliations for all City bank accounts, and various audit schedules, to support the general ledger balances. Reviews the general ledgers on a periodic basis to ensure that all financial transactions of the City are recorded accurately and timely and in conformity with sound accounting principles and practices, and City policies and procedures.

Coordinates the annual City audit and other audits by various granting agencies. Also, performs audit of both internal and external transactions as needed or required.

Oversees the function of the City's cash receipting to make sure that the accurate amount of funds is actually received and deposited into the City's bank account, and accurately coded to the proper account numbers in a timely manner. Oversees the functions of accounts payable and

payroll, verifying accuracy and timely posting of transactions to the general ledger. Directs staff accordingly.

Oversees the function of utility billing and collection, and accounts receivable, to ensure that all amounts due the City are billed and collected in a timely manner. Reviews and evaluates all uncollected receivables for collection and writing-off.

Prepares the annual State Controllers Report, Annual Transit Report, Annual Community Development Agency Report and various other reports that are required to be submitted to various State and federal agencies. Prepares the Comprehensive Annual Financial Report.

Works collaboratively with other City departments to coordinate accounting related activities, prepare and present recommendations and reports as requested, and provide guidance as it relates to accounting and compliance to internal controls. Builds and maintains positive working relationships with staff using principles of good customer service.

Operates a personal computer terminal in performance of assigned duties.

Performs related duties as assigned.

MINIMUM QUALIFICATIONS

Knowledge:

In-depth knowledge of Generally Accepted Accounting Principles to account for a variety of transactions when recording, summarizing, and preparing the City's financial statements.

Working knowledge of generally accepted auditing standards, and the application of internal controls, to assess and mitigate the risk of material misstatement of the financial statements whether due to error or fraud, in a timely and consistent manner.

Basic to advanced knowledge of the principles and practices of accounting and bookkeeping, also financial record keeping practices and procedures, to provide accurate and current information on the City's financial health.

Comprehensive knowledge of modern office procedures, methods, computer equipment, personal computer applications and programs, such as Microsoft Word and Excel, to perform duties efficiently.

Broad knowledge of the principles of mathematics including arithmetic, algebra, statistics, and their application, to facilitate financial analyses and data.

Working knowledge of the City's policies and procedures, and Federal and State laws and regulations governing the City's finances, to adhere to standard financial principles and guidelines, and ensure conformity.

Ability:

Keen ability to count, record, maintain and balance a variety of assigned transactions, financial records, ledgers and accounts, including subsidiary accounts, to provide accurate and timely information related to the City's finances.

High-level ability to perform varied technical accounting work and procedures in an organized and accurate manner, engage in records management, and implement internal controls to maintain the integrity of financial information produced.

Fundamental ability to understand and carry out oral and written instructions, and prepare clear, accurate, and concise financial reports for internal and external use.

High-level ability to use computer software financial and spreadsheet programs, and direct data to aid analyses and financial reporting.

Skill:

Proficiently skilled in operating a typewriter, calculator, personal computer, computer terminal and other office equipment, and exercising keyboard dexterity and speed necessary for successful job performance, i.e.: end products such as reports, statements, etc.

Well skilled in providing good customer service experiences, and establishing and maintaining cooperative working relations with those contacted in the course of work.

EDUCATION AND EXPERIENCE

Any combination of experience and training that would likely provide the required knowledge and abilities is qualifying. A typical way to obtain the knowledge and abilities would be:

Experience:

3 years of increasingly responsible experience in accounting and accounting information systems; public agency experience is highly desired.

Education/Training:

A Bachelor's Degree from an accredited college or university with major coursework in Accounting and Auditing.

LICENSES AND CERTIFICATES

Possession of, or ability to obtain an appropriate, valid California driver license.

TOOLS AND EQUIPMENT USED

Phones; frequent use of personal computer and printer, including word processing spreadsheet software, statistical computer programs and software, copy machine, postage machine, fax machine, 10-key calculator, typewriter, shredder and other standard office equipment.

PHYSICAL DEMANDS

The physical demands described herein are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee is frequently required to sit, talk, listen, observe, and/or engage in a high degree of concentration. The employee is required to use hands to finger, handle, feel or operate objects, tools, or controls; and reach with hands and arms. May be expected to lift and move containers weighing up to 15 pounds occasionally. Employee must be able to read 8 pitch print and decipher long hand writing of other people.

WORK ENVIRONMENT

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

The positions work in an office environment where the temperature remains constant. The noise level in the work environment is moderately noisy. There may be intermittent interruptions from phones, public inquiries and other staff.

The duties listed above are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related, or a logical assignment to the position.

This job description does not constitute an employment agreement between the City of Tracy and the employee and is subject to change by the City as the needs of the City and/or the requirements of the job change.

EQUIPMENT MECHANIC II

| | | | |
|--------------|-----------------------|-------------------|-------------|
| Class Title: | Equipment Mechanic II | Class Code: | 50314 |
| Department: | Public Works | Bargaining Unit: | Teamsters |
| EEO Code: | 81 | Effective Date: | 7/00 |
| FLSA Status: | Non-Exempt | Revision History: | 6/04: 11/11 |

DESCRIPTION

Under general supervision to inspect, diagnose and perform minor and major mechanical repairs to automotive, diesel and other power-driven equipment; to perform routine maintenance and servicing; and to perform other related duties as assigned.

DISTINGUISHING CHARACTERISTICS

This is a skilled, journey-level class, capable of diagnosing, maintaining, and repairing most automotive, diesel, and light equipment with minimal supervision.

SUPERVISION RECEIVED AND EXERCISED

Employee receives functional and technical direction from the Senior Equipment Mechanic and/or supervision from the Public Works Superintendent of Maintenance and Operations.

Exercises no supervision.

EXAMPLES OF IMPORTANT AND ESSENTIAL DUTIES

Duties may include, but are not limited to, the following:

Inspect, diagnose and locate mechanical difficulties on City automobiles, trucks, buses and a variety of diesel and gasoline powered maintenance and construction equipment.

Diagnose, Repair and adjust engines, transmissions, differentials and clutches.

Repair and adjust diesel and gasoline engines; perform tune ups on gasoline and diesel engines; adjust carburetors on small engines.

Inspect, repair, replace and modify components of engines, drive lines, transmissions, brake systems, clutches and steering assemblies; inspect, diagnose and repair emission systems, exhaust systems, generators, distributors, electrical systems on factory and aftermarket equipment. Inspect, repair and adjust hydraulic and air brake systems.

Inspect heavy trucks for compliance with California Highway Patrol (CHP) Biennial Inspection of Terminals, (BIT) inspections.

Replace or repair faulty parts including wheel bearings, clutches, oil seals, shock absorbers, and related parts and equipment.

Diagnose and repair hydraulic systems on a variety of equipment such as mowers, back-hoes and other specialized equipment.

Repair and replace such components as generators, distributors, relays, lights and switches.

Perform minor and major preventive maintenance tasks; check, change and repair tires; install and adjust headlights; lubricate vehicles and equipment; drain and refill crankcases and gearboxes; inspect and charge batteries.

Maintain work, time and material records electronically.

Road test vehicles and equipment for diagnostic and repair purposes.

Maintain shop cleanliness; repair shop equipment as necessary.

Clean vehicles and equipment.

Fabricate and modify parts and equipment.

Receives parts deliveries, completes records and stocks inventory.

Perform difficult manual labor including lifting heavy weights, stooping, bending and twisting.

Perform related duties as assigned.

MINIMUM QUALIFICATIONS

Knowledge of:

Tools, equipment and procedures used in the overhaul, repair and adjustment of gas and diesel-powered equipment.

Operating and repair characteristics of a full range of City-owned equipment including tractors, rollers and backhoes.

Operation and care of internal combustion engines.

Safe work practices.

Ability to:

Perform major mechanical work on equipment and vehicles.

Inspect and analyze defects in automotive and heavy construction equipment

Perform a full range of mechanical work including the troubleshooting of equipment for both major and minor repairs.

Work productively in the absence of supervision.

Accurately determine mechanical repair needs and estimate the cost and time of repairs.

Lift heavy objects and perform difficult manual labor.

Establish and maintain effective working relationships with those contacted in the course of work.

EDUCATION AND EXPERIENCE

Any combination of education, experience, and training that would likely provide the required knowledge and abilities is qualifying. A typical way to obtain the knowledge and abilities would be:

Education:

High School Diploma or equivalent. Specialized training in equipment maintenance and repair is desirable.

Experience:

Three (3) years of experience performing skilled mechanical work in the servicing and repair of automobiles and heavy equipment.

LICENSES AND CERTIFICATES

Possession of a California Class C driver license, and obtain a Class A driver license with appropriate endorsements within 90 days of date of hire.

Possess at time of application, three (3) Automotive Service Excellence (ASE) Certificates in any combination of the following: Brakes, Manual Drive Trains & Axels, Automatic Transmission/Transaxle, Electrical/Electronic Systems, Suspension/Steering, Engine Repair; Heating and air Conditioning, Engine Performance, Advanced Engine Performance; **and** two (2)

Medium/Heavy Duty Automotive Service Excellence (ASE) Certificates in Brakes (T4) and Preventive Maintenance & Inspection (T8).

TOOLS AND EQUIPMENT USED

Motorized vehicles for mechanical testing purposes, power and hand tools and equipment for vehicle and mechanical system work; mechanic's tools including jacks, hydraulic lifts, air tools, and other tools required for repairs and maintenance of motorized vehicles; electronic vehicle diagnostic equipment; personal computer, calculator, phone; mobile or portable radio.

PHYSICAL DEMANDS

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee is frequently required to use hands to finger, handle, feel or operate objects, tools, or controls; and reach with hands and arms. The employee is occasionally required to climb or balance; stoop, kneel, crouch, or crawl. The employee is occasionally required to walk, sit and talk or hear. The employee must frequently lift and/or move up to 25 pounds, and occasionally lift weights up to 100 pounds. Specific vision abilities required by this job include close vision, color vision, and the ability to adjust focus.

WORK ENVIRONMENT

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee frequently works near moving mechanical parts or in outside weather conditions. The employee is occasionally exposed to wet and/or humid conditions, fumes, toxic or caustic chemicals.

The noise level in the work environment is moderately noisy.

The duties listed above are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related or a logical assignment to the position.

The job description does not constitute an employment agreement between the City of Tracy and employee and is subject to change by the City as the needs of the City and requirements of the job change.

RESOLUTION _____

AUTHORIZING AMENDMENT OF THE CITY'S CLASSIFICATION AND COMPENSATION PLAN AND POSITION CONTROL ROSTER BY APPROVING THE ESTABLISHMENT OF CLASS SPECIFICATION AND SALARY RANGE FOR SENIOR ACCOUNTANT IN THE FINANCE AND ADMINISTRATIVE SERVICES DEPARTMENT; AUTHORIZING AMENDMENT OF THE CITY'S CLASSIFICATION PLAN BY APPROVING A REVISED CLASS SPECIFICATION FOR EQUIPMENT MECHANIC II IN THE PUBLIC WORKS DEPARTMENT

WHEREAS, The City has a Classification and Compensation Plan, and a Position Control Roster;

WHEREAS, The City finds it necessary to amend the City Classification and Compensation Plans and the Position Control Roster effective November 15, 2011 as follows:

Establish Classification and Compensation

Senior Accountant: \$6,450.72 to \$7,840.90 per month

WHEREAS, The City also finds it necessary to amend the Classification Job Description for the position of Equipment Mechanic II.

NOW, THEREFORE, BE IT RESOLVED, That the City Council authorizes the Human Resources Director to amend the City's Classification and Compensation Plans for the established classification in the Finance and Administrative Services Department, and amend the Classification Job Description for the existing classification in the Public Works Department as described in the staff report accompanying this item.

BE IT FURTHER RESOLVED, That the Budget Officer is authorized to amend the Position Control Roster to reflect the approved changes.

The foregoing Resolution _____ was adopted by the Tracy City Council on the 15th day of November, 2011, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

Mayor

ATTEST:

City Clerk

AGENDA ITEM 1.D

REQUEST

ADOPTION OF RESOLUTION SUPPORTING THE EXTENSION OF THE SAN JOAQUIN COUNTY ABANDONED VEHICLE ABATEMENT PROGRAM UNTIL APRIL 2022

EXECUTIVE SUMMARY

On October 4, 2011, the San Joaquin County Board of Supervisors passed a resolution extending the vehicle abatement program to April 2022. The San Joaquin County Abandoned Vehicle Abatement Service Authority allows for this extension if the board of supervisors of the county, by a two-thirds vote, and a majority of the cities having a majority of the incorporated population also adopt resolutions extending the program; this is a requirement of participating agencies. The Abandoned Vehicle Program is funded through an added vehicle registration fee.

DISCUSSION

In 1990, the California State Legislature enacted legislation allowing for the creation of county-based vehicle service authorities, pursuant to the provisions of Section 22710 VC. In July 2001, effective in January 2002, the San Joaquin County Abandoned Vehicle Abatement Service Authority was formed and imposed a one dollar annual vehicle registration fee on vehicles registered to an owner with an address in San Joaquin County.

Vehicle registration fees are collected by the Department of Motor Vehicles and allocated to San Joaquin County by the State Controller's Office pursuant to Section 9250.7 VC. Fees are then allocated to eight (8) participating entities on the basis of percentage of vehicles abated in relation to the total of vehicles abated by the Service Authority as a whole. The current participating entities are the County of San Joaquin, and the Cities of Escalon, Lodi, Lathrop, Manteca, Ripon, Stockton and Tracy. Since the inception of the program the Service Authority has received over \$4.7 million, which has allowed staff to abate approximately 51,219 abandoned vehicles.

The current program is set to expire on April 30, 2012. New legislation (California Vehicle Code Section 9250.7) allows local service authorities to extend the program every 10 years with the approval of the County and a majority of the cities comprising a majority of the population of the incorporated areas. Adoption of the attached resolution is the first step towards the extension of this important program. If the program is not continued, the County and the participating cities will lose revenue allocations. The City of Tracy's average revenue for the last two years has been approximately \$40,000/year.

The Service Authority calculates the funds to be allocated to each agency using a formula based on the total number of all vehicles abated by all member agencies and population and geographic area. As shown in the table below, the City of Tracy was allocated a total of \$399,547.84 over the past ten years, with a total expense of \$327,459.57, leaving the city in a positive cash flow position. The expenses include employee salaries and program-related equipment purchases such as a vehicle,

Toughbooks, MDCs and radios. The program is currently administered by the Tracy Police Department.

The AVA program is for the abatement, removal, or disposal of any abandoned, wrecked, dismantled, or inoperative vehicle or part from public or private property when the vehicle is deemed a public nuisance. A 10-day notice of intention to abate is issued pursuant to Section 4.12.640 of the Tracy Municipal Code and Section 22660.1(d) of the California Vehicle Code. The vehicle is removed after the 10-day period has elapsed.

| Jurisdiction | Abandoned Vehicle Fee Allocation | Expenses and Costs | Removed Vehicles | Average Abate Cost |
|--------------|----------------------------------|--------------------|------------------|--------------------|
| TRACY | | | | |
| 2001/02 | \$ 4,296.11 | \$ 9,259.77 | 76 | \$ 121.84 |
| 2002/03 | \$ 38,110.69 | \$ 62,869.44 | 516 | \$ 121.84 |
| 2003/04 | \$ 33,651.68 | \$ 10,759.82 | 185 | \$ 58.16 |
| 2004/05 | \$ 44,673.38 | \$ 58,182.45 | 552 | \$ 105.40 |
| 2005/06 | \$ 57,038.46 | \$ 64,897.68 | 578 | \$ 112.28 |
| 2006/07 | \$ 57,581.40 | \$ 45,401.88 | 436 | \$ 104.13 |
| 2007/08 | \$ 44,271.70 | \$ 26,936.78 | 226 | \$ 119.19 |
| 2008/09 | \$ 38,597.05 | \$ 18,528.77 | 98 | \$ 189.07 |
| 2009/10 | \$ 40,643.33 | \$ 18,690.82 | 62 | \$ 301.46 |
| 2010/11 | \$ 40,684.04 | \$ 11,932.16 | 69 | \$ 172.93 |
| TOTALS | \$ 399,547.84 | \$ 327,459.57 | 2,798 | \$ 117.03 |

While the Police Department has always been and remains primarily responsible for the towing of vehicles from public right of ways, the above table shows a significant decrease in the number of vehicles towed citywide beginning in FY 08-09. One reason for the decline in the number of vehicles towed, particularly from private property, is a reduction in the number of persons addressing the problem. Prior to FY 08-09, two full time Fire Inspectors were conducting inspections and abatements as part of their other inspection duties (which Code Enforcement staff had earlier done as part of their regular duties). Since then, the responsibility for vehicle abatements was transferred to the Police Department where only two part-time traffic interns are assigned to address abandoned vehicle abatement on both public and private property.

STRATEGIC PLAN

This agenda item supports the Public Safety strategic plan and specifically implements the following goal and objectives:

Purpose: To Engage residents as active partners in ensuring Tracy is a safe community.

Goal 4: Establish a Multi-Departmental Team to effectively address safety, blight & quality of life issues.

FISCAL IMPACT

The passage of this resolution in support of this extending this Abandoned Vehicle Abatement (AVA) program has no immediate impact to the FY 11-12 General Fund budget. However, if the AVA program is not extended beyond April 2012, the City of Tracy would lose the revenue distributed under the AVA program. The average yearly allocation over the past couple of years has been about \$40,000 annually.

RECOMMENDATION

Staff recommends the City Council approve the attached resolution supporting the extension of the Abandoned Vehicle Abatement Program until April, 2022.

Prepared by: Lily Wang, Administrative Assistant

Reviewed by: John Espinoza, Police Captain

Approved by: Gary R Hampton, Chief of Police

RESOLUTION _____

SUPPORTING THE EXTENSION OF THE SAN JOAQUIN COUNTY
ABANDONED VEHICLE ABATEMENT PROGRAM UNTIL APRIL 2022

WHEREAS, the San Joaquin County Abandoned Vehicle Abatement Service Authority was formed in 2001, and

WHEREAS, the Abandoned Vehicle Abatement program has received over \$4.7 million and reimbursed staff to abate 51,219 abandoned vehicles throughout San Joaquin County, and

WHEREAS, the San Joaquin County Abandoned Vehicle Abatement Service Authority Fee Program is set to expire in April 2012, and

WHEREAS, Sections 9250.7 and 22710 California Vehicle Code allows for an extension of the program with the approval of the County and a majority of the cities comprising a majority of the population of the incorporated areas, and

WHEREAS, the San Joaquin County Board of Supervisors passed a resolution on October 4, 2011 extending the abandoned vehicle abatement program to April 2022, and

WHEREAS, it is desirable to the City of Tracy to have the program continue.

THEREFORE, BE IT RESOLVED, that the City of Tracy supports the extension of the San Joaquin County Abandoned Vehicle Abatement Service Authority Fee Program until April 2022.

* * * * *

The foregoing Resolution _____ was passed and adopted by the Tracy City Council on the _____ day of _____, 2011, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

Mayor

ATTEST:

City Clerk

AGENDA ITEM 3

REQUEST

DISCUSS AND PROVIDE DIRECTION ON THE REGULATION OF MEDICAL MARIJUANA

EXECUTIVE SUMMARY

It is recommended that the City Council discuss and provide direction to staff on the regulation of medical marijuana.

DISCUSSION

I. Background and Summary

At the City Council meeting on November 1, 2011, Council Member Rickman requested that staff present options to the City Council relating to the regulation of medical marijuana cultivation.

The regulation of medical marijuana is complex because it is subject to differing legal standards on the federal, state, and local level. Under both state and federal law, it is illegal to possess or cultivate marijuana. However, state law provides that such state law criminal provisions do not apply to a patient, or to a patient's primary caregiver, who possesses or cultivates marijuana for the personal medical purposes of the patient upon the approval of a physician.

Notwithstanding federal and state law, the City may restrict the location, operation, or establishment of medical marijuana uses based on its land use and police power authority. However, while the City may restrict such uses, it may not specifically permit them because they are illegal under federal law.

Currently, medical marijuana uses, including cultivation (either as a primary use or as an accessory residential use in a backyard), are not allowed under the City's Zoning Ordinance because they are not specifically permitted in any of the City's zoning districts. Therefore, under the Tracy Municipal Code ("TMC"), such uses are considered public nuisances.

The City Council could direct staff to present it with an ordinance clarifying the existing ban on such uses under the TMC by specifically referencing medical marijuana uses as not being allowed in any of the City's zoning districts.

Alternatively, the City Council could direct staff to present it with an ordinance that contains certain restrictions on medical marijuana uses (e.g., restricting or banning outdoor or all cultivation) and establishes immunity from civil and criminal enforcement of the TMC for those who operate in strict compliance with its terms.

II. Statutory Background

Under both state and federal law, it is illegal to possess, distribute, or cultivate marijuana. However, state law provides that such state law criminal provisions do not apply to a patient, or to a patient's primary caregiver, who possesses, distributes, or cultivates marijuana for the personal medical purposes of the patient upon the approval of a physician.

A. The Federal Controlled Substances Act ("CSA")

The federal Controlled Substances Act ("CSA") was enacted in 1970 as part of President Nixon's "war on drugs." (21 U.S.C. §§801 – 904.) The CSA criminalizes the unauthorized manufacture, distribution, dispensing, and possession of substances classified in any of the Act's five schedules. The CSA includes marijuana on schedule I, the schedule of controlled substances that are subject to the most restrictions. (21 U.S.C. §812.) Drugs on other schedules may be dispensed and prescribed for medical use; drugs on schedule I may not.

Therefore, the CSA makes it illegal to manufacture, distribute, or possess marijuana. (21 U.S.C. §§ 841, 844.) It is also illegal under the CSA to maintain any place for the purpose of manufacturing, distributing, or using any controlled substance. (21 U.S.C. §856(a)(1).)

B. The Compassionate Use Act ("CUA")

The state Compassion Use Act ("CUA") was approved by voters as a ballot initiative in 1996. The CUA provides that certain state law criminal provisions relating to the possession and cultivation of marijuana "shall not apply to a patient, or to a patient's primary caregiver, who possesses or cultivates marijuana for the personal medical purposes of the patient upon the written or oral recommendation or approval of a physician." (Health & Saf. Code, §11362.5(d).) Apart from possession and cultivation, the CUA did not alter the other state statutory criminal prohibitions related to marijuana, including those that bar transportation, possession for sale, and sale. (*People v. Urziceanu* (2005) 132 Cal.App.4th 747.)

C. The Medical Marijuana Program Act ("MMPA")

In 2003, the state Legislature enacted the Medical Marijuana Program Act ("MMPA"). (Health & Saf. Code, §§ 11362.7 – 11362.83.) The intent of the MMPA was to: (1) clarify the scope of the CUA and facilitate the prompt identification of qualified patients and their designated primary caregivers in order to avoid unnecessary arrest and prosecution of these individuals and provide needed guidance to law enforcement officers; (2) to promote uniform and consistent application of the CUA; and (3) to enhance the access of patients and caregivers to medical marijuana through collective, cooperative cultivation projects. (Stats. 2003, ch. 875, §1.)

The MMPA created a voluntary program for the issuance of identification cards to qualified patients and primary caregivers. (Health & Saf. Code, §11362.71.)

The MMPA expressly immunizes from criminal liability qualified patients, persons with identification cards, and primary caregivers who transport or process marijuana for the personal medical use of a qualified patient or person with an identification card. (Health & Saf. Code, §11362.765(b)(1)-(2).) The MMPA also created an affirmative defense to criminal liability for qualified patients, persons with identification cards and primary caregivers who collectively or cooperatively cultivate marijuana. (Health & Saf. Code, §11362.775.)

III. The City's Ability to Restrict Medical Marijuana Uses

Notwithstanding the CUA and the MMPA, discussed above, the City may restrict the location, operation, or establishment of medical marijuana uses based on its land use police power authority. However, while it may restrict such uses, it may not specifically permit such uses because they are illegal under federal law.

A. The City May Restrict Medical Marijuana Uses Based on its Police Power and Land Use Authority

Case law has made clear that neither the CUA nor the MMPA preempts cities from enforcing zoning requirements related to medical marijuana uses.¹

This has also been statutorily clarified. For example, the CUA expressly states that: "Nothing in this [Act] shall be construed to supersede legislation prohibiting persons from engaging in conduct that endangers others" (Health & Saf. Code, §11362.5(b)(2).) Similarly, the MMPA provides that "Nothing in this [Act] shall prohibit a city . . . from adopting ordinances or policies that further restrict the location or establishment of a medical marijuana cooperative, collective, dispensary, operator, establishment, or provider." (Health & Saf. Code, § 11362.768(f).)

Finally, as part of the 2011-2012 Regular Session, the Legislature adopted Assembly Bill ("AB") 1300. AB 1300 amended Health and Safety Code section 11362.83 to read as follows:

Nothing in this article shall prevent a city or other local governing body from adopting and enforcing any of the following:

- (a) Adopting local ordinances that regulate the location, operation, or establishment of a medical marijuana cooperative or collective.

¹ See for example: *County of Los Angeles v. Hill* (2011) 192 Cal.App.4th 861 [County ordinance regulating the operation of medical marijuana dispensaries, including the location of dispensaries, was not preempted by the CUA or the MMPA.]; *City of Claremont v. Kruse* (2009) 177 Cal.App.4th 1153 [City's moratorium on medical marijuana dispensaries was not preempted by the CUA or the MMPA.]; and *City of Corona v. Naulls* (2008) 166 Cal.App.4th 418 [Upholding the City's determination that medical marijuana dispensary was a public nuisance because it was not a permitted use under the City's zoning ordinance.].

(b) The civil and criminal enforcement of local ordinances described in subdivision (a).

(c) Enacting other laws consistent with this article.

B. Although the City May Restrict Medical Marijuana Uses, it May Not Permit Such Uses Because They are Illegal Under Federal Law

Although the City may restrict medical marijuana uses, it may not permit such uses because it would conflict with federal law. This was made clear in the recent case of *Pack v. Superior Court (City of Long Beach)* (2011) 199 Cal.App.4th 1070.

At issue in *Pack* was a comprehensive regulatory scheme enacted by the City of Long Beach by which medical marijuana collectives with the City are governed. The City charges an application fee, holds a lottery, and issues a limited number of permits. Permitted collectives, which must then pay an annual fee, are highly regulated, and subject to numerous restrictions on their operations.

The court in *Pack* found that, because the City's regulatory scheme *permitted* medical marijuana collectives rather than merely decriminalized specific acts, it was preempted by federal law. The court pointed out that: "The City's permit system . . . provides that collectives with permits may collectively cultivate marijuana with the City *and those without permits may not*. The City's permit is nothing less than an *authorization* to collectively cultivate."

Nevertheless, the court in *Pack* found that some of the regulations that were adopted by the City were in not in conflict with federal law because they did not permit or authorize activity prohibited under federal law. For example, the City's ordinance included provisions: (1) prohibiting a medical marijuana collective from providing medical marijuana to its members between the hours of 8:00 p.m. and 10:00 a.m.; (2) prohibiting a person under the age of 18 from being on the premises of a medical marijuana collective unless that person is a qualified patient accompanied by his or her physician, parent or guardian; and (3) prohibiting the collective from permitting the consumption of alcohol on the property or in its parking area. The court found that these provisions were not preempted by federal law.

IV. The City of Tracy's Zoning Ordinance

Under the City's Zoning Ordinance, any use that is not specifically authorized in a particular zone is prohibited.² (Tracy Municipal Code ("TMC"), §10.08.1070.) Therefore, unauthorized uses are considered public nuisances. (TMC, §1.04.050.)

² This type of zoning ordinance is commonly referred to as a "permissive zoning ordinance." (See *City of Corona v. Naulls, supra*, 166 Cal.App.4th at 430 – 433.)

Medical marijuana uses, including cultivation (either as a primary use or as an accessory residential use in a backyard), are not allowable uses in any of the City's zoning districts.³ Therefore, such uses are not allowed and are considered public nuisances.

In 2006, the City issued an Order to Abate Public Nuisance or Show Cause on the owners and operators of a medical marijuana dispensary, known as the Valley Wellness Center Collective, Inc., that was located at 130 West 11th Street. After a hearing on the Order, the Hearing Officer determined that the dispensary did not fall within any permitted uses with the City's Central Business District ("CBD") Zone in which it was located, and as such, was an unauthorized use in violation of the TMC. The Hearing Officer deemed the use a public nuisance and ordered that it be abated. The medical marijuana dispensary shut down as a result of the ruling.

V. Options

A. Clarify That Medical Marijuana Uses are Not Allowed Under the City's Zoning Ordinance

The City Council could direct staff to present it with an ordinance clarifying the existing ban on such uses under the TMC.

Such an ordinance would: (1) add a new section to Chapter 1.01 of the TMC (Adoption of Code) to clarify that "No use authorized under this code shall violate state or federal law"; and (2) add a new section to Article 23 of the Zoning Ordinance (General Provisions, Conditions, and Exceptions) expressly prohibiting medical marijuana uses in all zoning districts.

The purpose of adopting such a clarifying ordinance would be twofold: (1) to provide clear notice to the public that medical marijuana uses are prohibited under the TMC; and (2) to assist staff and the courts in interpreting and implementing the provisions of the TMC related to the use of medical marijuana.

Under this option, code enforcement would continue to enforce the Zoning Ordinance's prohibitions on such uses.

³ Zoning ordinances typically identify three types of uses: permitted uses, conditional uses, and accessory uses. The City's Zoning Ordinance defines "accessory" as ". . . a building, a part of a building, or a use which is subordinate to, and the use of which is incidental to, that of the main building, structure, or use on the same lot as the main building or use . . ." (TMC, §10.08.050.) The City's Zoning Ordinance permits accessory uses in all residential districts. (TMC, §10.08.1080(29).) In a residential district, accessory uses would normally include such things as gardens, garages, swimming pools, fences, hedges, trees and shrubs.

The City has broad authority to identify permitted and accessory uses in its Zoning Ordinance based on the police power authority granted to it under the state Constitution. (Cal. Const., art. XI, §7.) However, the City may only adopt ordinances, including zoning ordinances, which do not conflict with the Constitution and the laws of the state or the United States. (Gov. Code, §37100.) Because marijuana is illegal under federal law, the City has no power to adopt a zoning ordinance which would allow for its use either as a permitted or accessory use.

B. Restrict Medical Marijuana Uses and Provide Immunity from Prosecution Under the Tracy Municipal Code

Alternatively, the City Council could direct staff to present it with an ordinance that contains restrictions on medical marijuana uses and establishes immunity from prosecution under the TMC for those who operate in strict compliance with its terms.

As an example, the City of San Jose recently adopted an ordinance that: (1) requires medical marijuana collectives to register with the City; (2) restricts the number and location of collectives; (3) and provides operating regulations and conditions including those relating to cultivation (i.e., conditions relating to safety and operating hours). San Jose's ordinance makes clear that is intended only to establish an affirmative defense to criminal and civil enforcement of the San Jose Municipal Code (as such uses continue to be deemed "nuisances" under the San Jose Municipal Code because they conflict with federal law).

Although such an ordinance would establish immunity from prosecution under the TMC, it would not immunize medical marijuana uses from prosecution under federal law. This is important to keep in mind. On October 7, 2011, California's four U.S. attorneys held a joint press conference announcing increased enforcement of federal laws criminalizing the cultivation and sale of medical marijuana and authorizing the seizure of real property used for such activities.

Under this option, code enforcement would not enforce the Zoning Ordinance's prohibitions on such uses as long as they complied with the restrictions contained in the ordinance.

STRATEGIC PLAN

This agenda item seeks policy direction from Council and does not relate to the Council's strategic plans at this time.

FISCAL IMPACT

If the City Council chooses to adopt an ordinance that restricts medical marijuana uses, it could require significant staff time to draft and implement.

RECOMMENDATION

Staff recommends that the City Council discuss the options presented above and provide direction to staff.

AGENDA ITEM 4

REQUEST

**CONSIDERATION OF A PROPOSED INCREASE TO SOLID WASTE RATES AND
AUTHORIZE STAFF TO HOLD A PUBLIC HEARING FOR THE ADOPTION OF
PROPOSED SOLID WASTE RATES**

EXECUTIVE SUMMARY

The City's Solid Waste Fund is operating at a deficit for the second consecutive fiscal year. Based on financial forecasts, this deficit will continue to grow in Fiscal Year 2012/2013. A rate increase is needed to preserve the enterprise's economic health, to provide for increase costs, and to satisfy bond requirements. Staff is proposing a solid waste rate increase of 24% effective January 1, 2012. The last rate adjustment approved by City Council was in July, 2007.

DISCUSSION

City of Tracy maintains a Franchise Agreement with Tracy Delta Disposal Service Inc. (Tracy Disposal) for the collection of solid waste within the City. The City also maintains a Service Agreement with Tracy Material Recovery and Solid Waste Transfer Inc. (Tracy MRF) for the recycling, composting, processing, and disposal of solid waste. The City bills for all of Tracy Disposal and Tracy MRF services within the City and maintains a Solid Waste Fund that receives all revenues from collection rates. The funds received from rate collection must be sufficient to cover:

- Tracy Disposal's Service Fees;
- Tracy MRF Service Fees
- Disposal expense (tipping fees), which is paid directly by the City;
- Franchise fees;
- Bond covenant requirements; and
- Other expenses and reserves as are determined to be necessary by the City

In order to strategize a solution to the forecasted depletion of the Solid Waste Fund, R3 Consulting Group (R3) was retained by the City to perform a Fiscal Analysis and provide a Rate Review Report of the City's Solid Waste Fund (Exhibit "A"). The PSA scope of services required R3 to review the City's Solid Waste Fund operating budgets and provide a financial model used to adjust solid waste rates. An additional goal of the rate setting process is to establish fair and equitable distribution of costs among ratepayers.

The following factors were analyzed by R3 and City staff to determine that a rate increase was necessary:

Bond Requirements: Pursuant to the covenants of the bond requirements, a rate increase is warranted. The bond Consent and Agreement states that the City shall cause the Waste System Debt Service Coverage Ratio to be equal to at least 1.3 to 1 for each calendar quarter. In the event that the Waste System Debt Service Coverage Ratio falls below 1.3 to 1 for any calendar quarter, the City shall increase the Waste System Revenues until the Waste System Debt Service Coverage Ratio is equal to at least 1.3 to 1 by the next calendar quarter end. The City's Finance Department indicates

that the current Waste System Debt Service Coverage Ratio is less than 1.3 to 1, thus justifying an increase in rates to raise revenues.

Increased Operational Costs: Tracy Disposal continues to be the City's exclusive garbage collection and disposal franchise hauler. Tracy Material Recovery continues to receive and process all municipal waste from the City of Tracy and plays an integral role in meeting the diversion requirements as mandated by AB939. Since the City's last rate increase in 2007, Tracy Disposal and Tracy Material Recovery have implemented reductions in operating costs, such as reduced labor and utilization of new technology. However, they continue to experience rising costs due to such factors as increased regulatory compliance to meet California Air Resources Board emission requirements for solid waste collection vehicles and processing equipment, fuel, and health insurance. Fuel costs year to date for 2011 are running \$3.90 per gallon as compared to \$2.70 in January, 2010. Health benefits continue to climb from 15% to 18% annually. Landfill disposal rates from 2007 to January 2012 will have increased 22.5%, which is a \$6.30 per ton increase totaling an estimated \$341,000 additional cost for 2012. Significant drops in the recyclable markets, although staging a recent recovery, have also reduced revenues. Tracy Disposal and Tracy MRF are requesting a 9.5% and 23% increase respectively for their portion of the fees pertaining to collection, recycling, composting, processing, disposal costs, and regulatory compliance.

City Franchise Fee: The existing franchise agreement provides for a franchise fee in the amount of 10%. Such fee is a pass through cost directly supported by solid waste rates. The fee amount should be included in rates in addition to all other fees and expenses of the contract provider. During the review of City budget matters by Management Partners it was noted that the City had only been collecting a 3% franchise fee. As such, the City began collecting the 10% franchise fee and the solid waste fund balance was sufficient for a period of time to cover this amount until the next rate setting process which would need to take the correct franchise fee of 10% into account when establishing new rates. This resulted an additional cost to the Solid Waste Fund in Fiscal Year 2010/2011 of \$782,600 and a forecasted cost of approximately \$785,000 for Fiscal Year 2011/2012.

Additional Factors: The Solid Waste Fund has also been significantly affected by the housing market (foreclosures). Homes that are vacant do not pay for solid waste and recycling collection. This is lost revenue to the Solid Waste Fund, which, unlike water and sewer services, are still collected on foreclosed homes. Total Solid Waste Revenue for FY 2007/2008 was \$17,600,000 compared to FY 2010/2011 at \$16,000,000. The Solid Waste Fund is also being required per AB32 to implement a Mandatory Commercial Recycling Program enforceable by July 1, 2012. New rates for commercial recycling are included in Exhibit "B".

Using the Solid Waste Fund Rate Model, provided by R3 Consulting Group, there are three rate adjustment scenarios for review that will provide a sufficient operating reserve fund balance. Scenario one proposes a one-time increase of 24% in FY 2011/2012. The second scenario of a 17.7% increase in the first year with a 6% increase in FY 2012/2013 and a 5% increase in FY 2013/2014 will have a proposed rate adjustment of 28.7%, but due to compounding will be 31% over the next three years. Scenario three has a 12% increase for the first year, 10% increase for FY 2012/2013 and a 9.5% increase for 2013/2014 which will have a proposed rate adjustment of 31.5%, but again

after compounding will result in a 35% rate change over the next three years. After the review of each scenario, staff recommends scenario one.

A proposed rate increase of 24% effective January 1, 2012 will alleviate the revenue shortfall to the Solid Waste Enterprise Fund and will provide a positive fund balance through Fiscal Year 2014/2015 and meet debt service coverage ratios. Exhibit "B" provides a schedule of rate adjustments by individual service levels. Other factors considered were the contracted service costs and comparable rates for similar services in neighboring jurisdictions (see Exhibit "C").

The rate increase is proposed for Fiscal Year 2011/2012 beginning on January 1, 2012. The City will continue to review operational balances to determine when additional increases will be needed in the future.

STRATEGIC PLAN

This agenda item supports the Organizational Effectiveness Strategy by assuring continued fiscal health.

FISCAL IMPACT

The standard residential garbage and recycling fee will increase from \$29.45 a month to \$36.50 a month effective January 1, 2012. All other rate increases for residential and commercial collection services are shown in Exhibit "B". The rate adjustment will increase revenue to the Solid Waste Enterprise Fund by approximately \$2,000,000 for Fiscal Year 2011/2012. The General Fund will be supplemented by approximately \$785,000 annually for the increased Franchise Fee.

RECOMMENDATION

It is recommended that the City Council consider a proposed increase to solid waste rates and authorize staff to move forward with a public hearing for the adoption of the proposed solid waste rates.

Prepared by: Jennifer Cariglio, Management Analyst I

Approved by: Kevin Tobeck, Director of Public Works
Zane Johnston, Director of Finance

Attachments: Exhibit A – R3 Fiscal Analysis of the Solid Waste Fund Study and Rate Review Report
Exhibit B – Proposed Solid Waste Rate Adjustments
Exhibit C – Comparable Jurisdiction Residential and Commercial Rates

EXHIBIT A

Financial Analysis of Solid Waste Fund



Presented to

The City of Tracy



November 1, 2011

Financial Analysis of Solid Waste Fund

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Financial Analysis of Solid Waste Fund

Introduction

R3 Consulting Group (R3) was retained by the City of Tracy (City) to perform a Financial Analysis of the City's Solid Waste Fund and the related revenue requirements of Tracy Delta Disposal Service, Inc. (TDDS) and Tracy Material Recovery and Solid Waste Transfer, Inc. (Tracy MRF), (together Tracy Disposal or Company). In addition, we assisted City staff in the review of the City's financial model, including the development of modifications that will allow the City to analyze the changes that might be required in the solid waste rates in order to maintain appropriate cash flows and reserve balances in the Solid Waste Fund in future years.

We worked closely with both the City and the Company throughout the project.

Objective

To assist the City with:

- Review and analysis of the current cash flows of the Solid Waste Fund;
- Review and analysis of the City's Solid Waste Fund operating budgets, including data provided by Tracy Disposal;
- Review of current Operating Reserve balances;
- Review of the Solid Waste Fund financial model;
- Development of modifications to the financial model for the City's Solid Waste Fund; and
- Recommending adjustments to the City's rates to generate sufficient revenues to meet the projected revenue requirements and maintain the appropriate Operating Reserves in the City's Solid Waste Fund.

Background

City Solid Waste Fund

The City bills for all of Tracy Disposal's franchised services and operates a Solid Waste Fund that receives all revenues from the collection rates for Tracy Disposal. The City sets rates as needed to ensure sufficient funding of the Solid Waste Fund to meet all of its financial and related obligations. The monies received from the customer rates must be sufficient to cover:

- Tracy Disposal's Collection Service Fees;

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Financial Analysis of Solid Waste Fund

- Tracy MRF expenses
- Disposal expense, which is paid directly by the City;
- Franchise fees;
- Bond covenant requirements; and
- Such other expenses and reserves as are determined to be necessary by the City.

The Solid Waste Fund has operated at a deficit for the last two fiscal years, and the current customer service rates have not been adjusted since 2007. Initial projections indicate that the fund will continue to operate at a deficit unless customer rates are raised.

Approach

Cash Flows

Our review of the cash flows of the Solid Waste Fund included, but was not limited to, the following tasks:

- We reviewed the Solid Waste Fund operating statements and compared them to prior years statements for consistency;
- We reviewed the Solid Waste Fund operating budgets and projections for FY 11-12, through FY 13-14 and compared them to prior and current year financial reports for consistency and completeness.
- We reviewed annual variances in actual revenues and expenses between FY 09-10 and FY 10-11, and projections for FYs 11-12, 12-13 and 13-14 and obtained explanations for significant variances or changes in balances;
- We obtained support for the assumptions used to project line item revenues and expenses and reviewed that support for reasonableness;
- We agreed summary schedules to supporting schedules and worksheets;
- We reviewed historical, actual and projected rate revenues;
- Based on that initial review we met with City staff to discuss differences in calculated and projected rate revenues;
- We updated customer counts by service level and recalculated rate revenues using current rate schedules;

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Financial Analysis of Solid Waste Fund

- We reviewed operating budgets prepared and submitted by the Company for the collection operations and the Tracy MRF operations;
- We confirmed the accuracy of the Company's calculated revenue requirement and requested rate adjustment;
- We developed recommended adjustments to the Company's calculated revenue requirement; and
- We met with City and Company representatives to review results, and clarify outstanding issues.

Our review found that the Solid Waste Fund accounts for program expenditures in three areas, expenditures associated with the collection program, expenditures associated with the operation of the Tracy Materials Recovery Facility and expenditures associated with the administration of the Solid Waste Fund. During our review we noted no material items that required adjustment. Several minor changes were made to the projections based on updated actual year end numbers that were received during the time the project was being completed. However we did note the following items;

- *Tracy Disposal projected an annual average revenue shortfall for collection operations of approximately \$575,000 for FY 11-12 through FY 13-14;*
- *The Company's Tracy MRF budget projected an annual revenue shortfall of approximately \$1,045,000 for FY 11-12, \$1,360,000 for FY 13-14 and \$1,800,000 for FY 14-15; and*
- *The City's Solid Waste Fund budget, including the funding of franchise fees, projected an annual revenue shortfall of approximately \$691,000 for FY 11-12, \$695,000 for FY 13-14 and \$757,000 for FY 14-15.*

Review of Rate Sufficiency

Our procedures included a review of the ability of the current residential and commercial rates to support the appropriate program costs over the next three years while providing sufficient revenues to maintain an appropriate Operating Reserve balance.

Our review noted that the current residential and commercial rate structures have not been sufficient to support the appropriate programs or provide for the necessary Operating Reserve balance for the past two years and have in fact resulted in deficit spending requiring the use of Operating Reserve funds. In addition, the current residential and commercial rate structures will not be sufficient to support the Solid Waste Fund program costs in future years. As is shown in Table 1 below, revenues provided by the

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Financial Analysis of Solid Waste Fund

current rate structure will result in projected deficits of over \$8.4 million over the next three years.

| Table 1 – Projected Deficit | | | |
|------------------------------------|----------------------|----------------------|----------------------|
| | FY 11-12 | FY 12-13 | FY 13-14 |
| Revenues | \$16,467,700 | \$16,864,640 | \$16,953,240 |
| Expenses | \$18,953,700 | \$19,558,700 | \$20,202,100 |
| Deficit | \$(2,486,000) | \$(2,694,060) | \$(3,248,860) |
| Cumulative Deficit | \$(2,486,000) | \$(5,180,060) | \$(8,428,920) |

Operating Reserve

Operating Reserves or unrestricted fund balances are a typical component of most businesses or utilities, and are similar to retained earnings or owners' equity in business enterprises. They are funds, usually accumulated over a number of years, which may be earmarked for a variety of uses. In the case of municipal collection operations these uses may include providing:

- Contingency funding to respond quickly to emergency conditions;
- Capacity to mitigate rate spikes and allow for more consistent rate adjustments; and
- Funding for all or a portion of planned capital costs (e.g., MRF Improvements).

We reviewed the appropriateness of the Solid Waste Fund Operating Reserve ("Operating Reserve") (the fund balance available at year end). The purpose of this reserve is to provide the ability to fund planned major expenses and/or effectively respond to unforeseen events or emergencies. Based on our review, we believe that a target reserve of between \$1.5 million and \$2.2 million is reasonable. We base this assessment on the following factors:

- The available reserve balance of \$2.2 million as of the end of FY 10-11 should be maintained at its current level or at least a level that would provide the Fund with sufficient revenue to fund approximately 30 days of operating expenses in an emergency. This would equate to a minimum reserve of approximately \$1.5 million and a maximum reserve of approximately \$2.2 million; and

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Financial Analysis of Solid Waste Fund

- The available reserve balance should be able to provide the Fund with sufficient revenue to fund unexpected capital needs.

Our review noted that the Operating Reserve balance at the beginning of FY 10-11 was approximately \$3.6 million. However, expenses for that year exceeded revenues by approximately \$1.4 million leaving the reserve with a balance of approximately \$2.2 million at the beginning of the current fiscal year. Without a rate increase, expenditures in FY 11-12 are projected to exceed revenues by \$2.48 million, which exceeds the available Operating Reserve balance. In addition, as is shown in Table 2 below, by the end of FY 13-14, the Operating Reserve would have a deficit balance of approximately \$6.2 million.

| Table 2 – Operating Reserve Deficit | | | | |
|--|------------------------------|---------------------------------|---------------------------------|--------------------------------|
| | FY 10-11 (Actual) | FY 11-12 (Projected) | FY 12-13 (Projected) | FY13-14 (Projected) |
| Revenue | \$16,025,760 | \$16,467,700 | \$16,864,640 | \$16,953,240 |
| Expenses | \$17,472,650 | \$18,953,700 | \$19,558,700 | \$20,202,100 |
| Deficit | \$(1,446,880) | \$(2,486,000) | \$(2,694,060) | \$(3,248,860) |
| Beginning Operating Reserve | \$3,671,200 | \$2,224,320 | \$(261,680) | \$(2,955,740) |
| Ending Operating Reserve | \$2,224,320 | \$(261,680) | \$(2,955,740) | \$(6,204,600) |

Review of General Model Characteristics

R3 reviewed the worksheets used by the City to obtain a comprehensive understanding of the characteristics of the model and confirm mathematical accuracy and logical consistency. We then met with City staff to discuss our initial findings and obtain additional information about the types of information the City needed for future rate planning.

We found that the City’s worksheets consisted of several unlinked MS Excel files, including a rate worksheet. The rate worksheet showed each residential and commercial solid waste collection rate and included a breakdown of each rate into two or three program components; City, Collection, which were included in all rates, and Curbside Recycling and Yard Waste, which was only included in residential rates. Each component was designed to provide the funding for a specific solid waste program. We found that the City Component was actually intended to fund the cost

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Financial Analysis of Solid Waste Fund

incurred by the City to administer the Solid Waste Fund, and the costs associated with the Tracy MRF; the Collection component was intended to fund the costs of solid waste collection; and Curbside Recycling and Yard Waste component was intended to fund the costs of the collection of Recycling and Yard Waste from residential customers.

We noted that the worksheet did not include customer counts or a rate adjustment mechanism and thus could not be used to project revenues from rates or to project revenue changes based on rate adjustments. In addition, the worksheet was not linked to other spreadsheets used to project revenues and expenses for future years planning.

Simulation Modeling

To help achieve the City's goals and objectives, a simulation and sensitivity analysis model ("SSAM") was developed by modifying the City's rate and financial worksheets to allow simulation and sensitivity analysis utilizing MS Excel 2003 and Visual Basic for Applications ("VBA") programming. The model includes actual historical financial information for FYs 08-09 through 10-11 and projected financial information for FYs 11-2 through 13-14.

SSAM combines the City's rate worksheet (Rate Detail) with customer service level data (Census Summary) obtained from the City and current and projected financial data (FS) provided by the City and the Company. The rate, customer service level and financial data are linked on the FS worksheet of the model. The rate worksheet was modified to separate the City component of the rates, (which was providing funding for both City and Tracy MRF programs) into a City component and a Tracy MRF component. We also linked Rate Detail to the FS worksheet so that rates could be adjusted for each individual projected fiscal year (FY 11-12 – 13-14 and the revenue generated by those rates would be included in the financial data on FS.

Using SSAM, we reviewed the effects of applying several rate adjustment methodologies to the City's residential and commercial rates.

Limitations

SSAM and the accompanying analyses contain projections of revenues and expenses based on various assumptions and estimates provided by the City and the Company. While we reviewed those projections for reasonableness, actual results of operations will usually differ from projections because events and circumstances do not always occur as expected. Those

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differences may be significant and materially affect the analyses and findings presented in this report.

Assumptions and Guidelines

SSAM was developed using the following assumptions and guidelines.

- Rates should be sufficient to cover expenses and provide for an Operating Reserve balance of between \$1.5 million and \$2.2 million (the current balance) by the end of FY 13-14;
- Residential and commercial rates should be adjusted equitably;
- The revenues from the City, Tracy MRF, Collection and Curbside Recycling and Yard Waste components of the rates should support the expenses of each of those programs;
- The initial rate adjustment was assumed to be effective on January 1, 2012 with any additional rate adjustments to become effective July 1 of each Fiscal Year beginning July 1, 2012;
- Inflation percentages were accepted as provided in the financial data provided by the City; and
- Customer growth percentages were set at zero in accordance with discussion with City staff.

Rate Recommendations

Proposed Rate Adjustments

The Solid Waste Fund's current collection service rates are not sufficient to cover existing and projected operating expenses. And as discussed above, the available Operating Reserve funds are not sufficient to fund the current service levels through the end of the current fiscal year, (FY 11-12).

In order to provide adequate funding of the residential and commercial solid waste programs through FY 13-14 the City will need to implement one or more rate adjustments in future years. Using the Solid Waste Fund Rate Model, we developed three rate adjustment scenarios for review by the City.

Table 3 below sets forth a summary of the three rate adjustment scenarios that were developed for FY 11-12, FY 12-13 and FY 13-14, while Table 4 provides Operating Reserve balances for the same periods.

- Scenario 1 utilizes a single rate adjustment in FY 11-12 of 24.0%. This scenario requires the use of a portion of the

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Financial Analysis of Solid Waste Fund

Operating Reserves in FY 11-12 and FY 13-14 but allows the City to maintain the Operating Reserve at the recommended minimum levels in FY 12-13 and FY 13-14. Since this rate adjustment is implemented in a single year the total rate adjustment and the effective rate adjustment (the actual change in the rates over the three year period) are both 24.0%.

- Scenario 2 utilizes somewhat more moderate rate adjustments in FY 11-12, and small rate adjustments in FY 12-13 and FY13-14. This scenario requires the use of a portion of the Operating Reserves in FY 11-12 and allows the City to reach the recommended Operating Reserve balance by the end of FY 13-14 of approximately \$2.2 million. Since this rate adjustment is implemented in a three year period, the total rate adjustment and the effective rate adjustment (the actual change in the rates over the three year period) are not equal. Over the three years the proposed rate adjustments total 28.7% but the effective rate due to compounding is 31.0%.
- Scenario 3 again utilizes moderate rate adjustments in FY 11-12, FY12-13 and FY 13-14. This scenario requires the use of a significant portion of the Operating Reserves in FY 11-12 and allows the City to reach the recommended Operating Reserve balance by the end of FY 13-14 of approximately \$2.2 million. Since this rate adjustment is implemented in a three year period, the total rate adjustment and the effective rate adjustment (the actual change in the rates over the three year period) are not equal. Over the three years the proposed rate adjustments total 31.5% but the effective rate due to compounding is 35.0%.

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Financial Analysis of Solid Waste Fund

| Table 3 – Summary Rate Adjustment Scenarios | | | | | | |
|---|------------|-------|------------|-------|------------|-------|
| Fiscal Year | Scenario 1 | | Scenario 2 | | Scenario 3 | |
| | Resi | Comm | Resi | Comm | Resi | Comm |
| FY 11-12 (Effective January 1, 2012) | 24.0% | 24.0% | 17.7% | 17.7% | 12.0% | 12.0% |
| FY 12-13 (Effective July 1, 2012) | 0.0% | 0.0% | 6.0% | 6.0% | 10.0% | 10.0% |
| FY 13-14 (Effective July 1, 2013) | 0.0% | 0.0% | 5.0% | 5.0% | 9.50% | 9.50% |
| Total Rate Change | 24.0% | 24.0% | 28.7% | 28.7% | 31.5% | 31.5% |
| Effective Rate Change | 24.0% | 24.0% | 31.0% | 31.0% | 35.0% | 35.0% |

| Table 4 - Projected Operating Reserve Balances | | | |
|--|-------------|-------------|-------------|
| | Scenario 1 | Scenario 2 | Scenario 3 |
| FY 11-12 | \$1,290,000 | \$893,000 | \$526,100 |
| FY 12-13 | \$1,694,000 | \$1,443,500 | \$878,500 |
| FY 13-14 | \$1,545,000 | \$2,266,000 | \$2,212,300 |

Recommendation

Our analysis of the impact of these rate adjustments indicates that Scenario One will result in the lowest overall rate adjustment, while allowing the City maintain the recommended Operating Reserve Balance in FY 12-13 and FY 13-14.

Based on the results of our evaluation of the effects of the proposed rate adjustments on the residential and commercial

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Financial Analysis of Solid Waste Fund

rates and the Operating Reserve balances over the three year projection period, we recommend that the City adopt the proposed rate adjustments set forth in Scenario 1.

Rates and Rate Comparison

Appendix A provides a schedule of the proposed rate adjustments under Scenario 1 by individual service level, as well as a comparison of the proposed rates to similar rates in surrounding jurisdictions.

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Appendix A



Proposed Rate Schedule

**Appendix A
Proposed Rates / Rate Comparison**

| Service Level | City of Tracy | | | | Dublin | Livermore | Lodi | Manteca | Mountain House | Stockton |
|----------------------------------|---------------|----------|-------------|-----|------------|------------|----------|----------|----------------|----------|
| | Current | Proposed | Rate Change | | | | | | | |
| | Rate | Rate | \$ | % | | | | | | |
| Residential | | | | | | | | | | |
| 64 gallon | \$29.45 | \$36.50 | \$7.05 | 24% | \$34.25 | \$48.34 | \$34.82 | \$25.49 | \$33.43 | \$26.75 |
| 64 gallon (low income) | \$24.45 | \$30.30 | \$5.85 | 24% | | | \$21.45 | | | |
| 64 gallon (manual rate) | \$40.20 | \$49.85 | \$9.65 | 24% | | \$76.49 | \$47.63 | | \$66.74 | |
| 96 gallon | \$34.85 | \$43.20 | \$8.35 | 24% | \$49.85 | \$80.21 | \$75.90 | \$30.02 | \$37.98 | \$32.40 |
| 96 gallon (low income) | \$27.10 | \$33.60 | \$6.50 | 24% | | | \$25.98 | | | |
| Extra YW | \$7.00 | \$8.70 | \$1.70 | 24% | | | | \$9.93 | \$7.90 | |
| Extra Recycle | \$5.00 | \$6.20 | \$1.20 | 24% | | | | | \$5.15 | |
| Commercial and Industrial | | | | | | | | | | |
| 32 gallon cans: | \$16.80 | \$20.85 | \$4.05 | 24% | \$21.15 | | \$21.11 | \$22.51 | | |
| 64 gallon cans: | \$32.00 | \$39.70 | \$7.70 | 24% | \$38.83 | \$62.43 | | \$36.78 | \$27.79 | \$40.08 |
| 96 gallon cans: | \$41.80 | \$51.85 | \$10.05 | 24% | \$56.48 | \$101.27 | | \$48.72 | \$36.67 | \$45.58 |
| Permanent Boxes | | | | | | | | | | |
| 1 1/2 yd hopper: | \$119.50 | \$148.20 | \$28.70 | 24% | | | | | \$125.30 | \$120.52 |
| 2 yd hopper: | \$154.70 | \$191.85 | \$37.15 | 24% | \$180.92 | \$206.58 | \$176.28 | \$97.44 | \$168.92 | \$129.54 |
| 3 yd hopper: | \$207.70 | \$257.55 | \$49.85 | 24% | \$271.38 | \$309.87 | \$224.40 | \$120.05 | \$255.23 | \$158.04 |
| 4 yd hopper: | \$260.20 | \$322.65 | \$62.45 | 24% | \$361.84 | \$413.17 | \$272.58 | \$146.72 | \$341.49 | \$174.80 |
| 6 yd hopper: | \$355.30 | \$440.55 | \$85.25 | 24% | \$542.76 | \$632.87 | \$368.85 | \$196.06 | \$513.57 | \$252.55 |
| 8 yd hopper: | \$502.50 | \$623.10 | \$120.60 | 24% | | | | | | |
| 20 yd hopper: | \$319.30 | \$395.95 | \$76.65 | 24% | | | | \$191.27 | \$405.10 | \$189.09 |
| 30 yd hopper: | \$417.80 | \$518.05 | \$100.25 | 24% | | | | \$191.27 | \$537.51 | \$189.09 |
| 40 yd hopper: | \$513.80 | \$637.10 | \$123.30 | 24% | | | | \$191.27 | \$669.80 | \$189.09 |
| Temporary Boxes | | | | | | | | | | |
| 1 1/2 yd hopper: | \$32.80 | \$40.65 | \$7.85 | 24% | \$38.18 | | | | \$33.33 | |
| 2 yd hopper: | \$44.45 | \$55.10 | \$10.65 | 24% | \$50.90 | | | | \$46.57 | |
| 3 yd hopper: | \$62.65 | \$77.70 | \$15.05 | 24% | \$76.35 | | | | \$72.76 | |
| 4 yd hopper: | \$80.50 | \$99.80 | \$19.30 | 24% | \$101.80 | | | | \$99.05 | |
| 6 yd hopper: | \$112.95 | \$140.05 | \$27.10 | 24% | \$127.25 | | | | \$151.61 | |
| 8 yd hopper: | \$158.15 | \$196.10 | \$37.95 | 24% | \$178.15 | | | | | |
| 10 yard open refuse box: | \$223.30 | \$276.90 | \$53.60 | 24% | \$229.05 | | | \$382.55 | \$272.79 | |
| 20 yard open refuse box: | \$319.30 | \$395.95 | \$76.65 | 24% | \$509.00 | \$429.85 | | \$382.55 | \$405.10 | |
| 30 yard open refuse box: | \$417.80 | \$518.05 | \$100.25 | 24% | \$763.50 | \$644.77 | | \$382.55 | \$537.51 | |
| 40 yard open refuse box: | \$513.80 | \$637.10 | \$123.30 | 24% | \$1,018.00 | \$859.70 | | \$382.55 | \$669.80 | |
| Permanent Compactors | | | | | | | | | | |
| 10 yd Stationary | \$258.35 | \$320.35 | \$62.00 | 24% | \$508.80 | | | | \$320.85 | n/a |
| 20 yd Stationary | \$388.00 | \$481.10 | \$93.10 | 24% | \$1,017.60 | \$1,289.55 | | | \$497.30 | \$199.88 |
| 25 yd Stationary | \$452.85 | \$561.55 | \$108.70 | 24% | \$1,270.00 | \$1,611.93 | | | \$585.55 | n/a |
| 30 yd Stationary | \$517.65 | \$641.90 | \$124.25 | 24% | \$1,526.40 | \$1,934.32 | | | \$673.75 | \$199.88 |
| 35 yd Stationary | \$582.50 | \$722.30 | \$139.80 | 24% | \$1,780.80 | n/a | | | \$762.01 | n/a |
| 40 yd Stationary | \$647.30 | \$802.65 | \$155.35 | 24% | \$2,035.20 | \$2,579.09 | | | \$850.18 | \$199.88 |
| 2 yd Self-contained | \$179.40 | \$222.45 | \$43.05 | 24% | | | | | | |
| 3 yd Self-contained | \$190.40 | \$236.10 | \$45.70 | 24% | | | | | | |
| 6 yd Self-contained | \$229.45 | \$284.50 | \$55.05 | 24% | | | | | \$259.10 | |
| 8 yd Self-contained | \$251.45 | \$311.80 | \$60.35 | 24% | | | | | | |
| 10 yd Self-contained | \$273.35 | \$338.95 | \$65.60 | 24% | | | | | \$320.84 | |
| 20 yd Self-contained | \$403.00 | \$499.70 | \$96.70 | 24% | | | | | \$497.30 | |
| 25 yd Self-contained | \$467.85 | \$580.15 | \$112.30 | 24% | | | | | \$585.55 | |
| 30 yd Self-contained | \$532.65 | \$660.50 | \$127.85 | 24% | | | | | \$673.75 | |
| 35 yd Self-contained | \$597.50 | \$740.90 | \$143.40 | 24% | | | | | | |

Exhibit B
City of Tracy
Solid Waste Fund Proposed Rate Increase As of January 1, 2012

| Residential: | Current Rate | Jan. 1, 2012 Proposed Rate |
|---|--------------|-------------------------------|
| 64 gallon toters | \$ 29.45 | \$ 36.50 |
| Each additional 64 gal. toter | \$ 29.45 | \$ 36.50 |
| 64 gallon toters - Low Income Ratepayers Asst. (LIRA) Program | \$ 24.45 | \$ 30.30 |
| 64 gallon toters manual rate | \$ 40.20 | \$ 49.85 |
| 96 gallon toters | \$ 34.85 | \$ 43.20 |
| 96 gallon toters manual rate | \$ 45.60 | \$ 56.55 |
| Each additional recycling toter | \$ - | \$ 6.20 |
| Each additional yardwaste toter | \$ 7.00 | \$ 8.70 |
| Each additional refuse bag | \$ 1.00 | \$ 2.00 |

Commercial and Industrial:

| | | |
|------------------|----------|----------|
| 32 gallon cans | \$ 16.80 | \$ 20.85 |
| 64 gallon toters | \$ 32.00 | \$ 39.70 |
| 96 gallon toters | \$ 41.80 | \$ 51.85 |

Permanent Boxes:

| | | |
|-----------------|-----------|-----------|
| 1 1/2 yd hopper | \$ 119.50 | \$ 148.20 |
| 2 yd hopper | \$ 154.70 | \$ 191.85 |
| 3 yd hopper | \$ 207.70 | \$ 257.55 |
| 4 yd hopper | \$ 260.20 | \$ 322.65 |
| 6 yd hopper | \$ 355.30 | \$ 440.55 |
| 8 yd hopper | \$ 502.50 | \$ 623.10 |

Temporary Boxes:

| | | |
|--|-----------|-----------|
| (Fees are for each load that is picked up) | | |
| 1 1/2 yd hopper | \$ 32.80 | \$ 40.65 |
| 2 yd hopper | \$ 44.45 | \$ 55.10 |
| 3 yd hopper | \$ 62.65 | \$ 77.70 |
| 4 yd hopper | \$ 80.50 | \$ 99.80 |
| 6 yd hopper | \$ 112.95 | \$ 140.05 |
| 8 yd hopper | \$ 158.15 | \$ 196.10 |

Open Loose Refuse Boxes:

| | | |
|---|-----------|-----------|
| (Fees are for each load that is picked up, based upon the base weight for each size of box) | | |
| 10 yard open refuse box | \$ 223.30 | \$ 276.90 |
| Plus \$63.00 for each prorated ton in excess of 4,400 pounds regular refuse, or \$50.00 for each prorated ton in excess of 14,400 pounds of inert material (dirt, sand, gravel, brick, rock or concrete.) | | |

| | | | | |
|--|----|--------|----|--------|
| 20 yard open refuse box | \$ | 319.30 | \$ | 395.95 |
| Plus \$63.00 for each prorated ton in excess of 8,100 pounds. | | | | |
| 30 yard open refuse box | \$ | 417.80 | \$ | 518.05 |
| Plus \$63.00 for each prorated ton in excess of 11,900 pounds. | | | | |
| 40 yard open refuse box | \$ | 513.80 | \$ | 637.10 |
| Plus \$63.00 for each prorated ton in excess of 15,600 pounds. | | | | |

Compactors:

(Fees are for each load that is picked up, based upon the base weight for each size of box.)

| | | | | |
|--|----|--------|----|--------|
| 10 yd stationary compactor | \$ | 258.35 | \$ | 320.35 |
| Plus \$63.00 for each prorated ton in excess of 5,300 pounds. | | | | |
| 20 yd stationary compactor | \$ | 388.00 | \$ | 481.10 |
| Plus \$63.00 for each prorated ton in excess of 10,300 pounds. | | | | |
| 25 yd stationary compactor | \$ | 452.85 | \$ | 561.55 |
| Plus \$63.00 for each prorated ton in excess of 12,800 pounds. | | | | |
| 30 yd stationary compactor | \$ | 517.65 | \$ | 641.90 |
| Plus \$63.00 for each prorated ton in excess of 15,300 pounds. | | | | |
| 35 yd stationary compactor | \$ | 582.50 | \$ | 722.30 |
| Plus \$63.00 for each prorated ton in excess of 17,800 pounds. | | | | |
| 40 yd stationary compactor | \$ | 647.30 | \$ | 802.65 |
| Plus \$63.00 for each prorated ton in excess of 20,300 pounds. | | | | |
| 2 yd self-contained compactor | \$ | 179.40 | \$ | 222.45 |
| Plus \$63.00 for each prorated ton in excess of 1,650 pounds. | | | | |
| 3 yd self contained compactor | \$ | 190.40 | \$ | 236.10 |
| Plus \$63.00 for each prorated ton in excess of 2,100 pounds. | | | | |
| 4 yd self contained compactor | \$ | 201.40 | \$ | 249.75 |
| Plus \$63.00 for each prorated ton in excess of 2,500 pounds. | | | | |
| 6 yd self contained compactor | \$ | 229.45 | \$ | 284.50 |
| Plus \$63.00 for each prorated ton in excess of 3,600 pounds. | | | | |
| 8 yd self contained compactor | \$ | 251.45 | \$ | 311.80 |
| Plus \$63.00 for each prorated ton in excess of 4,450 pounds. | | | | |

| | | |
|--|-----------|-----------|
| 10 yd self contained compactor | \$ 273.35 | \$ 338.95 |
| Plus \$63.00 for each prorated ton in excess of 5,300 pounds. | | |
| 20 yd self contained compactor | \$ 403.00 | \$ 499.70 |
| Plus \$63.00 for each prorated ton in excess of 10,300 pounds. | | |
| 25 yd self contained compactor | \$ 467.85 | \$ 580.15 |
| Plus \$63.00 for each prorated ton in excess of 12,800 pounds. | | |
| 30 yd self contained compactor | \$ 532.65 | \$ 660.50 |
| Plus \$63.00 for each prorated ton in excess of 15,300 pounds. | | |
| 35 yd self contained compactor | \$ 597.50 | \$ 740.90 |
| Plus \$63.00 for each prorated ton in excess of 17,800 pounds. | | |
| 40 yd self contained compactor | \$ 662.30 | \$ 821.25 |
| Plus \$63.00 for each prorated ton in excess of 20,300 pounds. | | |

Exhibit B
City of Tracy
Proposed Commercial Recycling Rate - 20% Discount As of January 1, 2012

| | | Jan. 1, 2012 Proposed Rate |
|--|----|-------------------------------|
| Commercial and Industrial: | | |
| 32 gallon cans | \$ | 17.90 |
| 64 gallon toters | \$ | 33.95 |
| 96 gallon toters | \$ | 43.60 |
| Permanent Boxes: | | |
| 1 1/2 yd hopper | \$ | 130.90 |
| 2 yd hopper | \$ | 169.70 |
| 3 yd hopper | \$ | 226.00 |
| 4 yd hopper | \$ | 280.40 |
| 6 yd hopper | \$ | 377.15 |
| 8 yd hopper | \$ | 538.40 |
| Temporary Boxes: | | |
| (Fees are for each load that is picked up) | | |
| 1 1/2 yd hopper | \$ | 35.55 |
| 2 yd hopper | \$ | 48.50 |
| 3 yd hopper | \$ | 68.70 |
| 4 yd hopper | \$ | 88.45 |
| 6 yd hopper | \$ | 124.55 |
| 8 yd hopper | \$ | 175.60 |
| Open Loose Boxes: | | |
| (Fees are for each load that is picked up, based upon the base weight for each size of box) | | |
| 20 yard open refuse box | \$ | 341.45 |
| Plus \$50.00 for each prorated ton in excess of 8,100 pounds. | | |
| 30 yard open refuse box | \$ | 439.00 |
| Plus \$50.00 for each prorated ton in excess of 11,900 pounds. | | |
| 40 yard open refuse box | \$ | 534.15 |
| Plus \$50.00 for each prorated ton in excess of 15,600 pounds. | | |
| Compactors: | | |
| (Fees are for each load that is picked up, based upon the base weight for each size of box.) | | |
| 10 yd stationary compactor | \$ | 284.05 |
| Plus \$50.00 for each prorated ton in excess of 5,300 pounds. | | |
| 20 yd stationary compactor | \$ | 412.20 |

Plus \$50.00 for each prorated ton in excess of 10,300 pounds.

| | | |
|--|----|--------|
| 25 yd stationary compactor | \$ | 476.50 |
| Plus \$50.00 for each prorated ton in excess of 12,800 pounds. | | |

| | | |
|--|----|--------|
| 30 yd stationary compactor | \$ | 540.65 |
| Plus \$50.00 for each prorated ton in excess of 15,300 pounds. | | |

| | | |
|--|----|--------|
| 35 yd stationary compactor | \$ | 604.70 |
| Plus \$50.00 for each prorated ton in excess of 17,800 pounds. | | |

| | | |
|--|----|--------|
| 40 yd stationary compactor | \$ | 668.85 |
| Plus \$50.00 for each prorated ton in excess of 20,300 pounds. | | |

| | | |
|---|----|--------|
| 2 yd self-contained compactor | \$ | 210.75 |
| Plus \$50.00 for each prorated ton in excess of 1,650 pounds. | | |

| | | |
|---|----|--------|
| 3 yd self contained compactor | \$ | 221.50 |
| Plus \$50.00 for each prorated ton in excess of 2,100 pounds. | | |

| | | |
|---|----|--------|
| 4 yd self contained compactor | \$ | 232.25 |
| Plus \$50.00 for each prorated ton in excess of 2,500 pounds. | | |

| | | |
|---|----|--------|
| 6 yd self contained compactor | \$ | 259.55 |
| Plus \$50.00 for each prorated ton in excess of 3,600 pounds. | | |

| | | |
|---|----|--------|
| 8 yd self contained compactor | \$ | 281.15 |
| Plus \$50.00 for each prorated ton in excess of 4,450 pounds. | | |

| | | |
|---|----|--------|
| 10 yd self contained compactor | \$ | 302.85 |
| Plus \$50.00 for each prorated ton in excess of 5,300 pounds. | | |

| | | |
|--|----|--------|
| 20 yd self contained compactor | \$ | 430.60 |
| Plus \$50.00 for each prorated ton in excess of 10,300 pounds. | | |

| | | |
|--|----|--------|
| 25 yd self contained compactor | \$ | 494.85 |
| Plus \$50.00 for each prorated ton in excess of 12,800 pounds. | | |

| | | |
|--|----|--------|
| 30 yd self contained compactor | \$ | 558.90 |
| Plus \$50.00 for each prorated ton in excess of 15,300 pounds. | | |

| | | |
|--|----|--------|
| 35 yd self contained compactor | \$ | 623.40 |
| Plus \$50.00 for each prorated ton in excess of 17,800 pounds. | | |

| | | |
|--|----|--------|
| 40 yd self contained compactor | \$ | 687.60 |
| Plus \$50.00 for each prorated ton in excess of 20,300 pounds. | | |

**Exhibit C
Proposed Rates / Rate Comparison**

| Service Level | City of Tracy* | | | | Dublin | Livermore | Lodi | Manteca | Mountain House | Stockton |
|----------------------------------|----------------|----------|-------------|-----|------------|------------|----------|----------|----------------|----------|
| | Current | Proposed | Rate Change | | | | | | | |
| | Rate | Rate | \$ | % | | | | | | |
| Residential | | | | | | | | | | |
| 64 gallon | \$29.45 | \$36.50 | \$7.05 | 24% | \$34.25 | \$48.34 | \$34.82 | \$25.49 | \$33.43 | \$26.75 |
| 64 gallon (low income) | \$24.45 | \$30.30 | \$5.85 | 24% | | | \$21.45 | | | |
| 64 gallon (manual rate) | \$40.20 | \$49.85 | \$9.65 | 24% | | \$76.49 | \$47.63 | | \$66.74 | |
| 96 gallon | \$34.85 | \$43.20 | \$8.35 | 24% | \$49.85 | \$80.21 | \$75.90 | \$30.02 | \$37.98 | \$32.40 |
| 96 gallon (low income) | \$27.10 | \$33.60 | \$6.50 | 24% | | | \$25.98 | | | |
| Extra YW | \$7.00 | \$8.70 | \$1.70 | 24% | | | | \$9.93 | \$7.90 | |
| Extra Recycle | \$5.00 | \$6.20 | \$1.20 | 24% | | | | | \$5.15 | |
| Commercial and Industrial | | | | | | | | | | |
| 32 gallon cans: | \$16.80 | \$20.85 | \$4.05 | 24% | \$21.15 | | \$21.11 | \$22.51 | | |
| 64 gallon cans: | \$32.00 | \$39.70 | \$7.70 | 24% | \$38.83 | \$62.43 | | \$36.78 | \$27.79 | \$40.08 |
| 96 gallon cans: | \$41.80 | \$51.85 | \$10.05 | 24% | \$56.48 | \$101.27 | | \$48.72 | \$36.67 | \$45.58 |
| Permanent Boxes | | | | | | | | | | |
| 1 1/2 yd hopper: | \$119.50 | \$148.20 | \$28.70 | 24% | | | | | \$125.30 | \$120.52 |
| 2 yd hopper: | \$154.70 | \$191.85 | \$37.15 | 24% | \$180.92 | \$206.58 | \$176.28 | \$97.44 | \$168.92 | \$129.54 |
| 3 yd hopper: | \$207.70 | \$257.55 | \$49.85 | 24% | \$271.38 | \$309.87 | \$224.40 | \$120.05 | \$255.23 | \$158.04 |
| 4 yd hopper: | \$260.20 | \$322.65 | \$62.45 | 24% | \$361.84 | \$413.17 | \$272.58 | \$146.72 | \$341.49 | \$174.80 |
| 6 yd hopper: | \$355.30 | \$440.55 | \$85.25 | 24% | \$542.76 | \$632.87 | \$368.85 | \$196.06 | \$513.57 | \$252.55 |
| 8 yd hopper: | \$502.50 | \$623.10 | \$120.60 | 24% | | | | | | |
| 20 yd hopper: | \$319.30 | \$395.95 | \$76.65 | 24% | | | | \$191.27 | \$405.10 | \$189.09 |
| 30 yd hopper: | \$417.80 | \$518.05 | \$100.25 | 24% | | | | \$191.27 | \$537.51 | \$189.09 |
| 40 yd hopper: | \$513.80 | \$637.10 | \$123.30 | 24% | | | | \$191.27 | \$669.80 | \$189.09 |
| Temporary Boxes | | | | | | | | | | |
| 1 1/2 yd hopper: | \$32.80 | \$40.65 | \$7.85 | 24% | \$38.18 | | | | \$33.33 | |
| 2 yd hopper: | \$44.45 | \$55.10 | \$10.65 | 24% | \$50.90 | | | | \$46.57 | |
| 3 yd hopper: | \$62.65 | \$77.70 | \$15.05 | 24% | \$76.35 | | | | \$72.76 | |
| 4 yd hopper: | \$80.50 | \$99.80 | \$19.30 | 24% | \$101.80 | | | | \$99.05 | |
| 6 yd hopper: | \$112.95 | \$140.05 | \$27.10 | 24% | \$127.25 | | | | \$151.61 | |
| 8 yd hopper: | \$158.15 | \$196.10 | \$37.95 | 24% | \$178.15 | | | | | |
| 10 yard open refuse box: | \$223.30 | \$276.90 | \$53.60 | 24% | \$229.05 | | | \$382.55 | \$272.79 | |
| 20 yard open refuse box: | \$319.30 | \$395.95 | \$76.65 | 24% | \$509.00 | \$429.85 | | \$382.55 | \$405.10 | |
| 30 yard open refuse box: | \$417.80 | \$518.05 | \$100.25 | 24% | \$763.50 | \$644.77 | | \$382.55 | \$537.51 | |
| 40 yard open refuse box: | \$513.80 | \$637.10 | \$123.30 | 24% | \$1,018.00 | \$859.70 | | \$382.55 | \$669.80 | |
| Permanent Compactors | | | | | | | | | | |
| 10 yd Stationary | \$258.35 | \$320.35 | \$62.00 | 24% | \$508.80 | | | | \$320.85 | n/a |
| 20 yd Stationary | \$388.00 | \$481.10 | \$93.10 | 24% | \$1,017.60 | \$1,289.55 | | | \$497.30 | \$199.88 |
| 25 yd Stationary | \$452.85 | \$561.55 | \$108.70 | 24% | \$1,270.00 | \$1,611.93 | | | \$585.55 | n/a |
| 30 yd Stationary | \$517.65 | \$641.90 | \$124.25 | 24% | \$1,526.40 | \$1,934.32 | | | \$673.75 | \$199.88 |
| 35 yd Stationary | \$582.50 | \$722.30 | \$139.80 | 24% | \$1,780.80 | n/a | | | \$762.01 | n/a |
| 40 yd Stationary | \$647.30 | \$802.65 | \$155.35 | 24% | \$2,035.20 | \$2,579.09 | | | \$850.18 | \$199.88 |
| 2 yd Self-contained | \$179.40 | \$222.45 | \$43.05 | 24% | | | | | | |
| 3 yd Self-contained | \$190.40 | \$236.10 | \$45.70 | 24% | | | | | | |
| 6 yd Self-contained | \$229.45 | \$284.50 | \$55.05 | 24% | | | | | \$259.10 | |
| 8 yd Self-contained | \$251.45 | \$311.80 | \$60.35 | 24% | | | | | | |
| 10 yd Self-contained | \$273.35 | \$338.95 | \$65.60 | 24% | | | | | \$320.84 | |
| 20 yd Self-contained | \$403.00 | \$499.70 | \$96.70 | 24% | | | | | \$497.30 | |
| 25 yd Self-contained | \$467.85 | \$580.15 | \$112.30 | 24% | | | | | \$585.55 | |
| 30 yd Self-contained | \$532.65 | \$660.50 | \$127.85 | 24% | | | | | \$673.75 | |
| 35 yd Self-contained | \$597.50 | \$740.90 | \$143.40 | 24% | | | | | | |

* City of Tracy is required by a third party agreement with San Joaquin County to transport all refuse to Foothill Landfill in Linden, CA.

AGENDA ITEM 5

REQUEST

**ACCEPT THE POLICE DEPARTMENT'S REORGANIZATION EFFORTS:
AUTHORIZE AMENDMENT TO THE CITY'S CLASSIFICATION AND
COMPENSATION PLANS AND POSITION CONTROL ROSTER BY APPROVING THE
ESTABLISHMENT OF CLASSIFICATION SPECIFICATION AND SALARY RANGE
FOR POLICE SUPPORT OPERATIONS MANAGER AND PROFESSIONAL
STANDARDS OFFICER AND APPROVING THE ADDITION OF ONE POLICE
CAPTAIN POSITION, ONE POLICE SUPPORT OPERATIONS MANAGER AND ONE
PART-TIME PROFESSIONAL STANDARDS OFFICER**

EXECUTIVE SUMMARY

This report will outline the reorganization plan for the Police Department which was approved at the October 4, 2011 City Council meeting. Specific actions recommended to implement the reorganization plan include adding a Police Captain, establishing and adding a new civilian classification entitled Police Support Operations Manager, and establishing and adding a part-time Professional Standards Officer to the Department.

DISCUSSION

At its meeting on October 4, 2011, the City Council approved Resolutions 2011-185, 2011-186, and 2011-187, granting designated periods for two years additional service credit with the California Public Employees' Retirement System and the City's future organizational structure.

Recent change of leadership over the Police Department has provided an opportunity to reassess efficiencies and the effectiveness of the department. The Police Chief, assisted by Police Department Command and Supervisory staff, completed an evaluation of the current organizational structure, seeking to ensure the greatest focus of organizational resources are directed toward serving the community at first line service levels.

Utilizing the incentivized retirement program, the following positions are planned to be eliminated from the department: two Police Sergeants, two Community Service Officers (non-sworn), one Crime Prevention Specialist (non-sworn), and one Administrative Assistant.

The planned structural reorganization of the Police Department effectively adds back the following positions to personnel staffing: one Police Captain, one non-sworn Police Support Operations Manager, one non-sworn Records Unit Supervisor, and one non-sworn Professional Standards Officer (part-time).

Through this plan, sworn staffing remains at eighty-five sworn personnel (one Chief of Police, two Captains, four Lieutenants, ten Sergeants, and sixty-eight Police Officers).

Non-sworn staffing is reduced from forty-two to forty (one Police Support Operations Manager, one Records Unit Supervisor, one Communications Unit Supervisor, two Executive Assistants, two Administrative Assistants, one Crime Prevention Specialist, one Animal Services Supervisor, four Animal Services Officers, one Crime Analyst, twelve Communications Operators, one Crime Scene Unit Supervisor, four Crime Scene Technicians, two Community Service Officers, and seven Records Assistants).

The planned redeployment of existing staff, in concert with elimination and reallocation of specific staff positions, is designed to achieve the following goals:

- Enhanced Command structure achieving greater accountability and enhanced risk management;
- Increased staff deployment at first line service levels;
- Dedicated focus on suppression and eradication of gang and street crimes;
- Gained efficiencies through an organizational structure recommended by POST;
- Offset the cost of reorganization and achieve ongoing operational cost reduction;
- Preparation for future organizational growth;
- Succession planning; and
- Sustainment of current sworn staffing levels.

Classification Study Recommendations

Based on the results of the classification study, the Human Resources Department recommends that the City's Classification and Compensation Plans and the Position Control Roster be amended to incorporate the following adjustments:

Establish Classification Specification and Salary Range: Police Support Operations Manager:

Staff recommends a salary range for Police Support Operations Manager of approximately \$109,076 to \$132,584 per year. This recommendation is based in part on internal equity among other Division Managers who serve as Assistant/Deputy Directors within their respective departments as well as an examination of similar at-will / confidential / Senior Management-level positions in other Police Departments where extensive law enforcement experience and/or management of the intricacies unique to Police Departments is required. This position will be responsible for general oversight of several departmental units including Records and Communications, budget and policy administration.

Establish Classification Specification and Salary Range: Professional Standards Officer (Part-Time, Limited Service):

Staff recommends that the hourly pay rate range for this part-time, limited service position be from \$40 to \$50 per hour. This classification will be responsible for

conducting performance audits and various inquiries and investigations of Police Department employees as well as for reviewing departmental policies and procedures to assure continual compliance with current laws and best practices.

Revise Classification Specification: Supervisor of Records Unit

Revision of the classification specification for the non-sworn position of supervisor over the Police Department's Records Unit will be brought before Council in the near future. It is anticipated that staff will recommend updating the title to bring the position in line with other non-sworn unit supervisors in the Police Department as well as update the specification to include advances in modern technology and any changes in responsibilities since the classification was last updated in 1998. Staff also anticipates proposing that the classification be placed in the Tracy Mid-Manager's Bargaining Unit in order to provide representation that is similar to the Council-approved representation for other non-sworn Police supervisors and City middle management classifications. As the classification is currently represented by the Tracy Police Officers Association, the City is required to Meet and Confer prior to implementing any bargaining unit modification. Any revision recommended will seek to ensure consistency with Council action to date as well as ensure placement in an employee group that is organizationally appropriate.

STRATEGIC PLAN

This agenda item supports the Organizational Efficiency Strategic Plan and specifically implements the following goals:

Goal 1: Advance City Council's fiscal policies

Goal 4: Ensure long-term viability and enhancement of the City's workforce

FISCAL IMPACT

Implementing the proposed reorganization of the Police Department will result in an annual savings of approximately \$76,000.

RECOMMENDATION

That the City Council accept and adopt, by resolution, the Police Department's reorganization plan and authorize the Human Resources Director to amend the City's Classification and Compensation Plans and the Budget Officer to amend the Position Control Roster by approving the establishment of classification specification and salary range for Police Support Operations Manager and Professional Standard Officer, and approving the addition of one Police Captain position, one Police Support Operations Manager, and one Part-Time Professional Standards Officer.

Agenda Item 5
November 15, 2011
Page 4

Prepared by: Midori Dearborn, Senior Human Resources Analyst

Reviewed by: Gary R. Hampton, Chief of Police
Maria Olvera, Human Resources Director

Approved by: R. Leon Churchill Jr., City Manager

Attachments: Exhibit A - Police Support Operations Manager Job Description
Exhibit B - Professional Standards Officer Job Description

POLICE SUPPORT OPERATIONS MANAGER

Class Title: Police Support Operations Manager Class Code: 25XXX
Department: Police Bargaining Unit: Confidential Management Unit
EEO Code: 76 Effective Date: November 15, 2011
FLSA Status: Exempt "At-Will"

DESCRIPTION

Under general direction of the Chief of Police; maintains oversight and leads the activities of one of the major Divisions comprising the Tracy Police Department. The position provides direction to meet City goals and coordinates with other service areas, agencies, boards, commissions and the public.

SUPERVISION RECEIVED AND EXERCISED

General supervision is provided by the Chief of Police. The incumbent provides direct supervision to subordinate level supervisory and clerical or technical staff within assigned support service area.

DISTINGUISHING CHARACTERISTICS

This classification is responsible for the supervision of discrete sub-divisional organizational components(s) and programs/functions within a department as determined by the Chief of Police, City Manager and City Council. This position exercises policy interpretation and application for assigned program/functional area. Demonstrates professional and technical competence while working as a team member and exercises independent judgment in a number of confidential and sensitive areas. Duties and responsibilities are performed in accordance with municipal codes, ordinances, City policy, and related regulating entities.

EXAMPLE OF IMPORTANT AND ESSENTIAL DUTIES: Duties may include, but are not limited to the following:

Provides specialized support services and supervision within assigned area.

Supervises staff including provision of timely performance evaluations; recommends and implements approved discipline; provides staff development; and maintains high standards necessary for efficient, professional operations.

Models appropriate professional supervisory conduct; maintains appropriate confidentiality of sensitive information; complies with and supports City policies and procedures, labor laws, and MOU provisions.

Performs audits and research, compiles data, and conducts studies, as assigned; prepares a variety of technical reports, including reports for City Council; develops, and recommends, implements and documents policies and procedures.

Maintains and oversees the police record management system; processes and provides custody and security of various records; files historical information, lists, certificates, contracts, agreements, claims, or other specialized documents or data related to assigned program area;

maintains all department personnel records; appears at court when subpoenaed to produce officer personnel records; maintains Internal Affairs (IA) reports records.

Prepares specialized budgets related to assigned activities; participates in budget forecasting and implementation; prepares, submits, reviews, coordinates and follows up on grant requests from state and federal funding sources or other contracts or agreements, as assigned; assures insurance and other requirements are met.

Answers questions; provides information to the public, other City departments, and other agencies; recommends and coordinates corrective actions; investigates, reports, documents and resolves complaints.

Builds and maintains respectful, positive working relationships with staff, supervisors, outside agencies and the public using principles of good customer service; provides effective conflict resolution, as needed.

Attends assigned meetings and training; interacts with outside agencies and commissions; participates in teams, or committees, as needed; manages and plans, oversees and coordinates special or sensitive projects with City wide impact, as assigned; serves on or facilitates various specialized committees and task forces related to departmental operations.

Assures staff works in a safe manner; follows safety requirements; monitors and assures compliance with regulations and other legal requirements.

Analyzes a variety of operational data to evaluate trends and makes recommendations regarding policy changes; oversees the maintenance and upgrade of technology for the police department.

Researches, recommends, monitors, procures, and oversees installation of enhancements to various department systems; provides oversight of technology problems or complaints; assures communication of changes in equipment, software, systems and processes to staff in clear, timely and appropriate manner with the Information Technology Staff.

Performs other duties, as assigned.

MINIMUM QUALIFICATIONS

Knowledge of:

Modern principles, practices and techniques of a municipal police department, emergency dispatch services and records management; applicable federal, state and local laws, regulations and guidelines.

Technical and operational aspects of assigned function or program area; required training and certification requirements related to assigned program area.

Modern office procedures, and methods including computer equipment, word processing, spread sheet, data base, graphic presentations and other needed specialized software applications, and internet and electronic communication usage and methods.

Principles of financial record keeping and reporting; auditing; technical report writing and grant writing; budgeting procedures and techniques; statistical methods and principles.

Principles and practices of supervision, staff selection, training and personnel management; principles of conflict resolution and excellent customer service.

Principles of effective time management; safe work practices and related regulations.

Ability to:

Lead, manage, evaluate and train personnel effectively and maintain discipline; delegate authority and responsibility as well as schedule and program work

Plan, initiate, manage and complete complex and multiple simultaneous work assignments or projects with a minimum of direction; meet deadlines.

Prepare, forecast and administer a budget.

Understand and comply with complex state and federal regulations, laws, codes, policies as related to assigned program area; develop and implement policies and procedures.

Effectively formulate, organize and manage sound divisional policy in the areas of police records and communications.

Perform research; compile and analyze data and prepare technical reports; diagnose and troubleshoot complex problems and provide and coordinate appropriate solutions.

Work with and control sensitive and confidential information and assure security for assigned program area.

Create and maintain accurate and detailed record keeping systems.

Research and write complex loan, grant and program documents and monitor processes, as assigned.

Interact with citizens and employees in an effective way that produces positive results; communicate effectively, orally, electronically and in writing.

Work irregular hours, which may include late night meetings.

EDUCATION AND EXPERIENCE

Any combination of experience and training that would likely provide the required knowledge and abilities is qualifying. A typical way to obtain the knowledge and abilities would be:

Education:

Equivalent to a Bachelor's degree from an accredited college or university with significant course work in the areas of Business Administration, Public Administration, or related fields.

Experience:

Five years of increasingly responsible technical, administrative or analytical experience in a public agency in related function areas or any experience that would have provided the opportunity to develop the required skills, knowledge and abilities. Three of the five years of experience shall be in a lead or supervisory capacity.

Special Requirements:

This position requires a criminal background check and fingerprinting.

LICENSE OR CERTIFICATE

Possession of a valid California Driver's License in the category necessary to perform essential duties of the position may be required as the time of appointment. Maintenance of a valid California Driver's license and proof of automobile liability insurance is a condition of continued employment.

TOOLS AND EQUIPMENT USED

Communications equipment including a computer-aided dispatching system, radio, and telephone consoles; personal computer including word processing software; copy machine; fax machine; radio; and telephone logging equipment.

PHYSICAL DEMANDS

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

Vision adequate to operate vehicles and office equipment, read instructions and follow directions; hearing adequate to converse on telephone and in person; body mobility adequate to drive and perform required office duties including reaching and bending for files and related items; use of hands and fingers adequate for operating vehicles, writing, typing, computer, copier, and fax machine and related functions; ability to lift office files, binders and small office equipment, as needed.

While performing the duties of this job, the employee is frequently required to walk, sit, talk, and/or hear. The employee is frequently required to use hands to finger, handle, feel, or operate objects, tools, or controls, and reach with hands and arms.

The employee must occasionally lift and/or move up to 50 pounds. Specific vision abilities required by this job include close vision, color vision, and the ability to adjust focus.

WORK ENVIRONMENT

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

While performing the duties of this job, the employee occasionally works in outside weather conditions. The employee is occasionally exposed to wet and/or humid conditions, toxic or caustic chemicals.

The noise level in the work environment is usually quiet while in the office.

The duties listed above are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related, or a logical assignment to the position. This job description does not constitute an employment agreement between the City of Tracy and the employee and is subject to change by the City as the needs of the City and/or the requirements of the job change

PROFESSIONAL STANDARDS OFFICER

Class Title: Professional Standards Officer
Department: Police
EEO Code: 69
FLSA Status: Non-Exempt

Class Code: 90XXX
Bargaining Unit: Limited Service
Effective Date: November 15, 2011

DESCRIPTION

Under general direction of the Chief of Police; conducts performance audits, pre-employment background investigations, investigates internal and citizen generated complaints; performs policy review, and continually reviews the Department's policies and procedures, comparing them to current law and best practices and then recommending the necessary policy adjustments.

SUPERVISION RECEIVED AND EXERCISED

General supervision is provided by a Division Commander. The incumbent may provide general direction to subordinate level supervisory and clerical or technical staff.

EXAMPLE OF IMPORTANT AND ESSENTIAL DUTIES: - Duties may include, but are not limited to the following:

Audit employee performance and conduct to ensure compliance with Department standards.

Conduct pre-employment background investigations on Police Department candidates.

Conduct internal affairs investigations.

Research and conduct investigations for internal and citizen generated complaint of alleged misconduct of department employees.

Review department policies for compliance with applicable laws and regulations.

Recommend policy changes as necessary.

Other duties as assigned by the Chief of Police or designee.

EMPLOYMENT STANDARDS

Experience conducting personnel investigations.

Must be familiar with and able to apply the requirements of Government Code Section 3300-3311, the Public Safety Officers Procedural Bill of Rights Act.

LICENSE OR CERTIFICATE

Possession of, or ability to obtain, an appropriate, valid California driver's license.

PHYSICAL DEMANDS

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

Vision adequate to operate vehicles and office equipment, read instructions and follow directions; hearing adequate to converse on telephone and in person; body mobility adequate to drive and perform required office duties including reaching and bending for files and related items; use of hands and fingers adequate for operating vehicles, writing, typing, computer, copier, and fax machine and related functions; ability to lift office files, binders and small office equipment, as needed.

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The employee must occasionally lift and/or move up to 50 pounds. Specific vision abilities required by this job include close vision, color vision, and the ability to adjust focus.

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The noise level in the work environment is usually quiet while in the office.

The duties listed above are intended only as illustrations of the various types of work that may be performed. The omission of specific statements of duties does not exclude them from the position if the work is similar, related, or a logical assignment to the position.

This job description does not constitute an employment agreement between the City of Tracy and the employee and is subject to change by the City as the needs of the City and/or the requirements of the job change

RESOLUTION _____

ACCEPTING THE POLICE DEPARTMENT'S REORGANIZATION EFFORTS:
AUTHORIZING AMENDMENT TO THE CITY'S CLASSIFICATION AND
COMPENSATION PLANS AND POSITION CONTROL ROSTER BY APPROVING THE
ESTABLISHMENT OF CLASSIFICATION SPECIFICATION AND SALARY RANGE
FOR POLICE SUPPORT OPERATIONS MANAGER AND PROFESSIONAL
STANDARDS OFFICER AND APPROVING THE ADDITION OF ONE POLICE
CAPTAIN POSITION, ONE POLICE SUPPORT OPERATIONS MANAGER AND ONE
PART-TIME PROFESSIONAL STANDARDS OFFICER

WHEREAS, The City has Classification and Compensation Plans and a Position Control Roster, and

WHEREAS, The City Council has approved the Police Department's reorganizational plan, and

WHEREAS, The City has completed classification reviews to establish and revise classification specifications;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

The City Council authorizes the Human Resources Director to amend the City's Classification and Compensation Plans and the Budget Officer to amend the Position Control Roster as follows:

1. Establish a new Classification of Police Support Operations Manager as described in Exhibit A with a Salary Range of \$109,076.64 to \$132,583.20 annually;
2. Establish a new part-time, limited service classification of Professional Standards Officer as described in Exhibit B with a pay rate range of \$40.00 to \$50.00 per hour; and
3. Add one Police Captain, one Police Support Operations Manager, and one Part-time Professional Standards Officer to the Police Department;

The foregoing Resolution _____ was adopted by the Tracy City Council on the 15th day of November, 2011, by the following votes:

AYES: COUNCIL MEMBERS:
 NOES: COUNCIL MEMBERS:
 ABSENT: COUNCIL MEMBERS:
 ABSTAIN: COUNCIL MEMBERS:

Mayor

ATTEST:

City Clerk

AGENDA ITEM 6

REQUEST

SECOND READING AND ADOPTION OF ORDINANCE 1164, AN ORDINANCE OF THE CITY OF TRACY PREZONING THE FILIOS/DOBLER ANNEXATION PROJECT SITE PLANNED UNIT DEVELOPMENT (PUD) APPLICATION NUMBER A/P09-0002

EXECUTIVE SUMMARY

Ordinance 1164 was introduced at the Council meeting held on November 1, 2011. Ordinance 1164 is before Council for a second reading and adoption.

DISCUSSION

Ordinance 1164 was introduced at the Council meeting held on November 1, 2011, to prezone the Filios/Dobler annexation project site Planned Unit Development (PUD). The pre zoning to PUD is consistent with the General Plan. The pre zoning is required to support the public necessity, convenience, and general welfare because opportunities for consumer access to retail goods and commercial services, jobs production, expansion of local sales tax to support City services, and other benefits of the Project could be realized after annexation and pre zoning of the property.

Ordinance 1164 is before Council for a second reading and adoption.

STRATEGIC PLAN

This agenda item supports the Economic Development Strategic Plan and specifically implements the following goals:

Goal 1: Job Creation

Goal 2: Retail Recruitment/Revenue Enhancement

FISCAL IMPACT

None.

RECOMMENDATION

That Council adopts Ordinance 1164 following its second reading.

Attachment

Prepared by: Adrienne Richardson, Deputy City Clerk

Reviewed by: Carole Fleischmann, Assistant City Clerk

Approved by: Leon Churchill, Jr., City Manager

ORDINANCE 1164

PREZONING THE FILIOS/DOBLER ANNEXATION PROJECT SITE PLANNED UNIT
DEVELOPMENT (PUD)
APPLICATION NUMBER A/P09-0002

WHEREAS, Applications have been filed or initiated by owners of properties for a General Plan Amendment to re-designate approximately 43 acres from Urban Reserve 2 to Commercial, amend the I-205 Corridor Specific Plan to add the site to the Specific Plan with a designation of General Commercial, Annex the site to the Tracy City limits, and Prezone the site Planned Unit Development (PUD) (collectively, called the "Project"), and

WHEREAS, On November 1, 2011, the City Council certified the Environmental Impact Report (SCH No. 2010072043) for the Project pursuant to the California Environmental Quality Act (CEQA), and

WHEREAS, On November 1, 2011, the City Council approved the General Plan Amendment and the Specific Plan Amendment and authorized the annexation application to be submitted to LAFCo, and

WHEREAS, The Prezoning to PUD is consistent with the General Plan in that General Plan Section B.7 requires each urban Reserve to obtain a zoning district, specific plan or PUD and the PUD (General Commercial designation of the I-205 Corridor Specific Plan) is consistent with the land use designation of Urban Reserve 2 General Plan Statistical Profile (General Plan Section E.2.), and

WHEREAS, In accordance with the I-205 Corridor Specific Plan, the PUD Zone district implements the Specific Plan, and

WHEREAS, The Prezoning is required to support the public necessity, convenience, and general welfare because opportunities for consumer access to retail goods and commercial services, jobs production, expansion of local sales tax to support City services, and other benefits of the Project could be realized after annexation and Prezoning of the property, and

WHEREAS, On September 28, 2011, the Planning Commission conducted a public hearing to consider the property owners' application for Prezoning, and

WHEREAS, On November 1, 2011, the City Council conducted a public hearing to consider the property owners' application for Prezoning.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TRACY DOES
HEREBY ORDAIN AS FOLLOWS:

SECTION 1: The Filios/Dobler Annexation Project site, located on the south side of Grant Line Road, north of Byron Road and the Union Pacific Railroad, and west of the Tracy Marketplace Shopping Center (Assessor's Parcel Numbers 209-270-10, 11, 26, and 31) (Exhibit 1) is hereby prezoned Planned Unit Development. The zoning of said Project site as PUD shall take effect on the same date that annexation of the site occurs.

SECTION 2: This Ordinance shall take effect thirty (30) days after its final passage and adoption.

SECTION 3: This Ordinance shall be published once in a newspaper of general circulation within fifteen (15) days from and after its final passage and adoption.

* * * * *

The foregoing Ordinance 1164 was introduced at a regular meeting of the Tracy City Council held on the 1st day of November, 2011, and finally passed and adopted by said Council at its regular meeting on the 15th day of November, 2011, by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:

MAYOR

ATTEST:

CITY CLERK

November 15, 2011

AGENDA ITEM 8.A

REQUEST

**APPOINTMENT OF CITY COUNCIL SUBCOMMITTEE TO INTERVIEW
APPLICANTS FOR VACANCIES ON THE TRACY ARTS COMMISSION**

EXECUTIVE SUMMARY

Request appointment of subcommittee to interview applicants for vacancies on the Tracy Arts Commission.

DISCUSSION

There will be four vacancies on the Tracy Arts Commission due to term expirations. All four terms will expire on December 31, 2011. The vacancies are being advertised and the three week recruitment period will close on November 15, 2011.

In accordance with Resolution 2004-152, a two-member subcommittee needs to be appointed to interview the applicants and make a recommendation to the full Council.

STRATEGIC PLAN

This item is a routine operational item and does not relate to any of the Council's four strategic plans.

FISCAL IMPACT

None.

RECOMMENDATION

That Council appoints a two-member subcommittee to interview applicants for the vacancies on the Tracy Arts Commission.

Prepared by: Carole Fleischmann, Assistant City Clerk
Reviewed by: Maria Hurtado, Assistant City Manager
Approved by: Leon Churchill, Jr., City Manager