

JOINT TRACY CITY COUNCIL/TRACY OPERATING  
PARTNERSHIP JOINT POWERS AUTHORITY/TRACY  
PUBLIC FINANCING AUTHORITY

REGULAR MEETING MINUTES

**May 6, 2014, 7:00 p.m.**

City Council Chambers, 333 Civic Center Plaza

Web Site: [www.ci.tracy.ca.us](http://www.ci.tracy.ca.us)

Mayor Ives called the meeting to order at 7:00 p.m., and led the Pledge of Allegiance.

The invocation was provided by Pastor Scott McFarland, Journey Christian Church.

Roll call found Council Members Manne, Rickman, Young, Mayor Pro Tem Maciel and Mayor Ives present.

Maria Hurtado, Interim City Manager, presented the Employee of the Month award for May 2014, to Carlo Fanto, Information Technologies.

Mayor Ives presented a Certificate of Appointment to Jacy Krogh, and a Certificate of Reappointment to Alvin Vaughn, to the Transportation Advisory Commission and a Certificate of Recognition to Bruce George.

Mayor Ives presented a Certificate of Appointment to Larry Fragoso, Measure E Residents' Oversight Committee.

Mayor Ives presented a proclamation to Candice Borgen, Central Valley Velo Bike Club, in recognition of Bike to Work Week.

Mayor Ives presented a proclamation to David Ferguson, Public Works Director, in recognition of National Public Works Week.

Mayor Ives presented a proclamation to Julie Selner, Senior Center volunteer and participant, in recognition of Older Americans Month.

Mayor Ives recognized students from New Jerusalem, Saint Bernards, West Valley Christian Academy, Circle of Friends Christian Home Schoolers, and South/West Park Elementary schools in honor of their D.A.R.E. Graduation.

1. CONSENT CALENDAR – It was moved by Mayor Pro Tem Maciel and seconded by Council Member Manne to adopt the Consent Calendar. Roll call vote found all in favor; passed and so ordered.
  - A. Approval of Minutes – Regular meeting minutes of February 4, 2014, were approved.
  - B. Acceptance of Police Firearms Practice Range Landscaping CIP 71072F, Completed by Sierra Landscaping Services of Valley Springs, California, and

Authorization for the City Clerk to File a Notice of Completion – Resolution 2014-061 accepted the project.

- C. Acceptance of the Sewer Replacement Fiscal Year 2014 Eaton Avenue - CIP 74104A, Completed by Sanact Inc. dba Roto-Rooter of Livermore, California, and Authorization for the City Clerk to File a Notice of Completion – Resolution 2014-062 accepted the project.
- D. Approval of a Master Professional Services Agreement (MPSA) with Land Logistics, Inc. of Davis, California and Development Services for Project Management and Planning Assistance for Various Projects - – Resolution 2014-063 approved the agreement.
- E. Adopt a Resolution Accepting Placement of the Train Town USA Plaque in the Tracy Transit Station - – Resolution 2014-064 accepted placement of the plaque.
- F. Authorization to Enter into an Agreement with the West Side Irrigation District for Sale of Wastewater and Authorize the Mayor to Execute the Agreement – Resolution 2014-065 authorized entering into the agreement.

Mayor Ives reminded the audience that this was a joint meeting of the Tracy City Council, Tracy Operating Partnership Joint Powers Authority, and the Tracy Public Financing Authority.

- 2. ITEMS FROM THE AUDIENCE – A group of teens from Community Partnership for Families of San Joaquin invited Council and the community to an event titled “Teen Empowerment Presents #RealRelationships” being held on May 9, 2014, at the Downtown Tracy Playhouse between 4:00 p.m., and 6:00 p.m.

Paul Miles addressed Council regarding a letter he received from Interim City Manager Maria Hurtado dated April 7, 2014, in which she determined that his complaint was frivolous. Mr. Miles asked that Council take corrective action.

Steve Nicolaou, on behalf of a client, conveyed thanks to staff for their hard work. Mr. Nicolaou asked that the community be informed regarding any potential gang presence that may have taken hold in the city.

- 3. ADOPT SEVERAL RESOLUTIONS OF THE CITY OF TRACY, THE TRACY PUBLIC FINANCING AUTHORITY AND THE TRACY OPERATING PARTNERSHIP JOINT POWERS AUTHORITY RELATED TO THE REFINANCING OF OUTSTANDING BONDS – Jenny Haruyama, Administrative Services Director, provided the staff report. Ms. Haruyama stated a combination of a low interest rate environment and the primarily-developed status of the property will enable the City to refinance the outstanding bonds of certain assessment districts and community facilities districts.

**CFD 89-1.** The City previously formed CFD 89-1 to finance a variety of public facilities.

The following CFD 89-1 bonds are outstanding:

City of Tracy Community Facilities District No. 89-1 (Industrial Specific Plan – Northeast Area), 2003 Series A Senior Lien Refunding Special Tax Bonds originally issued in the amount of \$14,185,000.

City of Tracy Community Facilities District No. 89-1 (Industrial Specific Plan – Northeast Area), 2003 Series B Junior Lien Refunding Special Tax Bonds originally issued in the amount of \$1,325,000.

**CFD 99-1.** The City previously formed CFD 99-1 to finance a variety of public facilities. The following CFD 99-1 bonds are outstanding:

City of Tracy Community Facilities District No. 99-1 2004 Refunding Special Tax Bonds originally issued in the amount of \$9,635,000.

**AD I-205.** The City previously formed the I-205 Reassessment District to finance public facilities. The City issued assessment bonds for the Reassessment District, and the assessment bonds were purchased by the TOPJPA with proceeds of revenue bonds issued by the TOPJPA. Subsequently, the TOPJPA issued the following outstanding bonds to refinance the original TOPJPA Bonds:

Tracy Operating Partnership Joint Powers Authority 2003 Series A Senior Lien Refunding Revenue Bonds (Assessment Bond Refunding) originally issued in the amount of \$11,070,000.

Tracy Operating Partnership Joint Powers Authority 2003 Series B Junior Lien Refunding Revenue Bonds (Assessment Bond Refunding) originally issued in the amount of \$535,000.

**AD 94-1.** The City previously formed the 94-1 Reassessment District to finance public facilities. The City issued assessment bonds for the Reassessment District, and the assessment bonds were purchased by the TOPJPA with proceeds of revenue bonds issued by the TOPJPA. Subsequently, the TOPJPA issued the following outstanding bonds to refinance the original TOPJPA Bonds:

\$4,500,000 Tracy Operating Partnership Joint Powers Authority 2002 Revenue Bonds, Series A (94-1 Assessment Bond Refunding)

**Proposed Refinancing.** The City and the South County Fire Authority (SCFA) created the Tracy Public Financing Authority (TPFA) pursuant to a Joint Exercise of Powers Agreement, dated as of April 16, 2013. The Authority was created to provide assistance to the City and SCFA from time to time in connection with their financing programs, and for any other purposes authorized under the Marks-Roos Local Bond Pooling Act of 1985. In this proposed transaction, the TPFA will issue one series of revenue bonds to refinance the outstanding CFD 89-1 and 99-1 bonds and AD 94-1 and I-205 bonds. The CFD bonds will be payable only from the special taxes levied in the related CFD. The reassessment bonds will be payable only from reassessments levied in a new reassessment district to refinance the AD 94-1 assessment bonds and the I-205 assessment bonds. The TPFA Revenue Bonds will be payable only from revenues that TPFA receives from ownership of the CFD bonds and the reassessment bonds. The City

expects to pay lower interest and reduce transaction costs by aggregating the indebtedness. Consequently, the City will be able to decrease the special taxes and assessments that property owners currently pay.

The bonds will be sold through a negotiated sale to Stifel, Nicolaus & Company Incorporated, as Underwriter. The firm of Jones Hall will serve as Bond Counsel and Disclosure Counsel. This team has assisted the City in many financings and refinancings in the past. It is anticipated the bonds will be priced during the week beginning on May 19, 2014 with the bond closing on or around June 5, 2014.

With respect to the CFD bonds, a resolution approving the issuance and sale of the refunding bonds, approving a fiscal agent agreement for each series of CFD bonds being refunded, approving an escrow agreement for each series of CFD bonds being refunded, approving the preliminary official statement, approving a form of continuing disclosure certificate, and approving and authorizing related documents and actions.

The preliminary official statement has been reviewed and approved for transmittal to the Council by City staff and its financing team. The preliminary official statement must include all facts that would be material to an investor in the bonds. Material information is information that would have significance in the deliberations of the investor when deciding whether to buy or sell the bonds. Members of the City Council may review the preliminary official statement and/or question staff and consultants to make sure they feel comfortable that it includes all material facts.

With respect to the assessment district bonds, there are three resolutions required in order to comply with the Refunding Act of 1984 for 1915 Improvement Act Bonds:

- (i) A resolution of intention to levy reassessments and to issue refunding bonds.
- (ii) A resolution adopting reassessment report, confirming and ordering the reassessment pursuant to summary proceedings and directing actions.
- (iii) A resolution authorizing the issuance of refunding bonds, approving and directing the execution of a fiscal agent agreement and escrow deposit and trust agreements, authorizing sale of the bonds, approving the preliminary official statement and approving and authorizing related documents and actions.

With respect to the proposed issuance of the TPFA Revenue Bonds, a resolution approving the issuance and sale of the refunding bonds, approving the indenture under which the bonds will be issued, approving the trustee under the indenture, approving the bond purchase agreement with the Underwriter and a purchase agreement for the CFD refunding bonds and assessment district refunding bonds between the TPFA and the City, approving the preliminary official statement, approving bond and disclosure counsel, and approving and authorizing related documents and actions.

A resolution of the Board of Directors of the TOPJPA authorizing the execution of the escrow agreements related to the outstanding TOPJPA bonds.

There is no General Fund impact. The CFD bonds will be payable only from the special taxes levied in the related CFD. The reassessment bonds will be payable only from reassessments levied in the Reassessment District. The TPFA Revenue Bonds will be payable only from revenues that TPFA receives from ownership of the CFD bonds and the reassessment bonds. Bond issuance costs are paid from bond proceeds.

It is estimated that, under current market conditions, taxpayers in the districts can expect to realize the following total savings over the life of the bonds (although the market conditions could change between the date of this report and the date on which the refunding bonds are priced):

**CFD 89-1** - Light Industrial Development (North East Industrial Area). Includes 64 parcels. Savings over the life of the bonds (until 2020) is \$2,001,000.

**CFD 99-1** - Light Industrial Development (North East Industrial Area). Includes 20 parcels. Savings over the life of the bonds (until 2024) is \$1,048,000.

**AD I-205** - Residential Development. Includes 1,022 parcels (Woodfield Estates, Pheasant Run, Surland, Park Atherton, Bridle Creek/Laurel Brook). Savings over the life of the bonds (until 2022) is \$1,175,000.

**AD 94-1** - Commercial Development (located in the North West portion of the City). Includes 15 parcels. Savings of the life of the bonds (until 2021) is \$627,000.

Staff recommended that the City Council adopt resolutions which collectively enable the refinancing of outstanding CFD 89-1, 99-1, AD 94-1, I-205 and TOPJPA bonds.

Council Member Rickman asked for confirmation that by refinancing the City was saving property owners over \$3 million. Ms. Haruyama stated yes, over the life of the bond.

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

Paul Miles asked if the underwriter makes a profit on the refinancing of the bonds. Ms. Haruyama indicated proceeds are taken out of the bond sale. Ms. Haruyama added it was a negotiated sale.

Mr. Miles asked if the City went through the request for proposal process. Ms. Haruyama stated not in this case; it was a negotiated sale.

Council Member Rickman thanked Ms. Haruyama for finding ways to save money, and lower taxes and fees for property owners.

Council Member Manne thanked Ms. Haruyama for finding a way to put money back in the public's pocket.

Mayor Ives thanked staff for being proactive.

It was moved by Mayor Pro Tem Maciel and seconded by Council Member Manne to adopt Resolution 2014-066, authorizing the issuance and sale of special tax bonds and approving and authorizing related documents and actions. Voice vote found all in favor; passed and so ordered.

It was moved by Mayor Pro Tem Maciel and seconded by Council Member Manne to adopt Resolution 2014-067, of Intention to levy reassessments and to issue refunding bonds upon the security thereof. Voice vote found all in favor; passed and so ordered.

It was moved by Mayor Pro Tem Maciel and seconded by Council Member Manne to adopt Resolution 2014-068, approving reassessment report, confirming and ordering the

reassessment pursuant to summary proceedings and directing actions with respect thereto. Voice vote found all in favor; passed and so ordered.

It was moved by Mayor Pro Tem Maciel and seconded by Council Member Manne to adopt Resolution 2014-069, authorizing the issuance of refunding bonds, approving and directing the execution of a fiscal agent agreement and an escrow deposit and trust agreement, authorizing sale of bonds, and other related documents and actions with respect thereto. Voice vote found all in favor; passed and so ordered.

It was moved by Director Maciel and seconded by Director Manne to adopt Resolution TPFA 2014-001, of the Board of Directors of the Tracy Public Financing Authority authorizing the issuance and sale of its local agency revenue bonds in one or more series, and approving related agreements and actions. Voice vote found all in favor; passed and so ordered.

It was moved by Director Maciel and seconded by Director Manne to adopt Resolution TOPJA 2014-001, of the Board of Directors of the Tracy Operating Partnership Joint Powers Authority authorizing execution and delivery of the one or more escrow agreements in connection with the refinancing of certain outstanding revenue bonds, and approving related agreements and actions. Voice vote found all in favor; passed and so ordered.

4. PUBLIC HEARING TO AUTHORIZE THE ADOPTION OF THE UPDATED ROADWAY DEVELOPMENT IMPACT FEES FOR THE PLAN C DEVELOPMENT AREA – Victoria Dion, City Engineer, provided the staff report. Ms. Dion stated that Plan C is a geographical area oriented to the west, south, and east of the existing downtown area. Plan C is made up of approximately 5,828 single-family units, 236 multi-family units and 11 acres for commercial development.

On July 7, 1998, City Council approved the original Plan C Finance and Implementation Plan (Plan C FIP), through the adoption of Resolution No. 98-215. Since that time, City Council has adopted various updates to the FIP. The most recent update occurred on June 19, 2007, per Resolution Number 2007-133. In 2011, due to the economic downturn, City Council adopted a Citywide 12% reduction in Roadway Fees for all planning areas in the City including Plan C based on the fact that construction costs had decreased by approximately 12%.

Plan C Roadway Fees vary depending on which of the three zones the property falls. The fees for the northwest and southeast zones have increased at a more rapid rate than the southwest zone due to the fact that specific improvements in those zones had not yet been completed and the cost estimates for those remaining projects had increased significantly. Even with the 12% reduction, the fees for these two zones were notably higher. At this time, several developments within Plan C are moving forward and two of those developments contain a land use change. In order to incorporate the land use changes, as well as new information that has been obtained through the Master Plan process, staff recommends an update to the Traffic Fees at this time.

The Citywide Roadway and Transportation Master Plan was adopted on November 26, 2012, per Resolution Number 2012-240. The Plan C Roadway improvements were compared against this document and it was determined that two intersections previously

identified in the Plan C FIP are no longer required per the Citywide Roadway and Transportation Master Plan. These intersections are as follows:

- The intersection at South MacArthur Drive and Linne Road was identified as needing to be signalized in the original Plan C study. However, this intersection falls outside of the City's sphere of influence and is noted to become a County expressway in the future.
- The intersection at East Schulte Road and Lammers Road also called for a new signal, however Schulte Road will ultimately be realigned and new signals are included at both new Schulte and Old Schulte Roads as part of the Roadway Master Plan.

As part of this update to the Roadway Fees, the new land uses were incorporated into the calculation and the fees collected to date were also updated. This resulted in a reduction to the Roadway Fees for the northwest and southeast zones. However, the southwest zone saw a slight increase in fees over the 2011 reduced fee; but these fees are still less than the 2007 fees.

The impact fees have been updated in accordance with the State Law as set forth in Government Code Sections 66000, also known as "AB 1600" or the "Mitigation Fee Act". It requires that the City make specific, substantive findings in establishing, increasing or imposing Development Impact Fees. City staff has found that there is a reasonable relationship between the need for the fee update and the impacts of development in Plan C. The impact fees are collected at building permit issuance. The fees are used to construct roadway improvements to mitigate the impacts of residential and commercial development in the Plan C Development Area.

There is no fiscal impact to the General Fund. The developers pay the Development Impact Fees for the Plan C Development Area.

Staff recommended that Council adopt the updated Roadway Development Impact Fees for the Plan C Development Area.

Mayor Ives opened the public hearing. As there was no one wishing to address Council on the item, the public hearing was closed.

Council Member Rickman thanked staff for keeping fees consistent and fair.

It was moved by Mayor Pro Tem Maciel and seconded by Council Member Rickman to adopt Resolution 2014-070 approving the updated Roadway Development Impact Fees for the Plan C Development Area. Voice vote found all in favor; passed and so ordered.

5. AUTHORIZE THE ESTABLISHMENT OF PREFERENTIAL PARKING ON TWELFTH STREET AND BERVERDOR AVENUE BETWEEN MAE AVENUE AND EAST STREET AS A PILOT PROGRAM – Ripon Bhatia, Senior Civil Engineer, provided the staff report. Mr. Bhatia stated that on January 21, 2014, staff produced an ordinance adding a chapter to the City of Tracy Municipal Code governing preferential parking. Staff intended to use the ordinance, if approved, to address the parking issues on Twelfth Street and Berverdor Avenue west of East Street. Council, after reviewing the parking issues on these streets, did not wish to pursue the introduction of the proposed ordinance and directed staff to implement preferential parking as a pilot program on Twelfth Street and Berverdor Avenue between Mae Avenue and East Street through the school year ending in June 2015. Furthermore, Council directed that associated costs for

the establishment of this pilot program, including installation of signs, issuance of permits and enforcement of preferential parking zones were to be borne by the City.

On March 4, 2014, staff requested authorization to implement Council's directive and recommended establishment of preferential parking between the hours of 7:00 a.m. and 4:00 p.m., Monday through Friday. During this meeting, staff and students from Tracy Unified School District (TUSD) requested an opportunity to resolve residents' concerns using other alternatives. Council, after hearing concerns from the students and staff of TUSD, granted 60 days to the students and TUSD staff to explore alternatives that might improve the parking and associated conditions in the neighborhood.

TUSD staff explored various options for providing improvements including expanding parking areas and shuttling students from the Transit Station. TUSD staff and students also surveyed students and neighborhood residents to explore other possible solutions to mitigate neighborhood concerns. However, after coordination with city staff, residents, and students, TUSD staff concluded that participating in a "good neighbor program" would not alleviate the neighborhood concerns and that efforts to involve students in the solution would not provide significant long term improvements.

Staff believes that implementation of the pilot program for preferential parking on Twelfth Street and Berverdor Avenue as directed by City Council on January 21, 2014, will mitigate the immediate concerns and will allow staff to evaluate the effectiveness of preferential parking and its impacts on the neighboring areas.

Engineering and Police Department staff, with coordination from residents, will review the effectiveness of the Preferential Parking Program and present the results to the Council after completion of the program. At such time, Council may extend or eliminate the Preferential Parking Program based on City staff review and input from the neighborhood residents.

It is anticipated that the implementation of a pilot of the Preferential Parking Program will have a minimal impact on the Police Department budget; no additional funding is requested at this time. Required signage will be installed by Public Works Department and parking permits will be issued by Police Department staff.

Staff recommended that City Council authorize establishment of Preferential Parking on Twelfth Street and Berverdor Avenue between Mae Avenue and East Street through June, 2015.

Melissa Furtado, addressed Council stated nothing had changed since Council delayed the permit parking approval for 60 days. Ms. Furtado outlined many of the issues facing residents in the area. Ms. Furtado provided a handout which included pictures and a neighborhood survey.

Mayor Pro Tem Maciel pointed out that the parking problem was a school district issue. Mayor Pro Tem Maciel stated the school did react and asked for time to explore options though they were not successful in coming up with a viable option. Mayor Pro Tem Maciel stated he was prepared to move forward by imposing the pilot program.



Council Member Rickman gave kudos to the school district for giving it their best shot and stated he hoped they would find a future favorable option for all parties. Council Member Rickman stated he was also in favor of the pilot program.

Council Member Manne thanked the school district and the students who participated in their classes and clubs to find a solution. Council Member Manne stated he was also prepared to accept staff's recommendation.

Council Member Young stated she appreciated the young people who tried to brain storm and find solutions. Council Member Young stated she did not believe that the most egregious situations would be solved with parking permits. Council Member Young encouraged the school district to continue conversations with the residents.

Mayor Ives stated it would be interesting to see if the permit parking works. Mayor Ives added increased enforcement may help. Mayor Ives encouraged Council to look for the law on unattended consequences. Mayor Ives stated the issue should be kept on the City School Liaison agenda. Mayor Ives added he does not like restricted parking on City streets, adding in this case the City needed to try something.

It was moved by Council Member Manne and seconded by Mayor Pro Tem Maciel to adopt Resolution 2014-071 authorizing establishment of preferential parking on Twelfth Street and Berverdor Avenue between Mae Avenue and East Street as a pilot program. Voice vote found all in favor; passed and so ordered.

Mayor Ives asked how long it would take for the parking permit to be in effect. Mr. Bhatia stated no later than the start of the new school year.

6. DISCUSS AND PROVIDE DIRECTION ON THE PROCEDURES TO FILL CITY COUNCIL VACANCIES AND TO SELECT APPOINTEES – Dan Sodergren, City Attorney, provided the staff report. Mr. Sodergren stated the process for filling City Council vacancies (other than an elective Mayor) is set for in Government Code section 36512(b),<sup>1</sup> which provides that:

If a vacancy occurs in an elective office provided for in this chapter, the council shall, within 60 days from the commencement of the vacancy, either fill the vacancy by appointment or call a special election to fill the vacancy. The special election shall be held on the next regularly established election date not less than 114 days from the call of the special election. A person appointed or elected to fill a vacancy holds office for the unexpired term of the former incumbent.

A similar process is contained in the Government Code for vacancies occurring in the office of Mayor. (§ 34902(a).) The Registrar of Voters for San Joaquin County currently estimates the cost of an election would be as follows: approximately \$117,000 for a special mail ballot election; approximately \$251,000 for a special election with polling locations; and \$25,000 to add an item to a ballot with a consolidated statewide election.

State law also permits cities to adopt a local ordinance that provides alternative methods for filling vacancies on a city council or in the office of an elective mayor. The Government Code provides that a city may enact an ordinance that does any of the following:

1. Requires that a special election be called immediately to fill every City Council vacancy and the office of Mayor, which shall be held on the next regularly established election date not less than 114 days from the call of the special election;
2. Requires that a special election be held to fill a Council vacancy and the office of Mayor when petitions bearing a specified number of verified signatures are filed. Such election shall be held on the next regularly established election date not less than 114 days from the filing of the petition. Under this option, Council has the option of calling for an election without waiting for the filing of a petition.
3. Provides that a person appointed to fill a vacancy on the City Council holds office only until the date of a special election which shall immediately be called to fill the remainder of the term. Such an election may be held on the date of the next regularly established election or regularly scheduled municipal election to be held throughout the City not less than 114 days from the call of the special election. Unlike options 1 and 2, this option applies to the filling of vacancies on the City Council only and not to the office of Mayor.) (§ 36512(c).)

Under option 3, Council has the flexibility of having the remainder of the term filled at an election when Tracy voters vote. In this way, the Council could avoid the increased costs of a special election at which Tracy voters do not already vote.

Finally, the Government Code also provides that, notwithstanding these requirements and options, an appointment may not be made to fill a vacancy on a city council if the appointment would result in a majority of the members serving on the council having been appointed. If this is the case, the vacancy must be filled at the next regularly scheduled election date. (§ 36512(d).)

State law does not prescribe any procedure for selection of appointees. Therefore, the Council may choose any selection method it desires, including the following:

- Independently as a City Council, the Council can discuss and agree on a candidate to appoint and appoint that candidate to fill the unexpired term; and
- The City Council can invite candidates to apply, conduct interviews, and agree to appoint a particular candidate.

The most common method is to have an open application process. The last two City Council vacancies that have occurred in Tracy were in 2006 and in 2012. In 2006, the City Council directed staff to solicit applications from interested candidates. Ten applicants were interviewed. A list of questions and interview process was recommended by staff and agreed upon by the City Council. Attached are copies of the staff report and minutes of the December 5, 2006 and December 19, 2006 City Council meetings at which this item was discussed.

In 2012, the City Council chose to interview only the three candidates who ran for the City Council seat during the November 2012 election. Two candidates chose to be interviewed. Questions were compiled by a City Council Subcommittee. The City Council placed no limit on the amount of time allowed for candidates' answers; the Mayor read all the questions; each candidate was given the opportunity to present a closing statement; the candidate that was not interviewing was placed in a separate room; and, at the end of the interview process, each Council Member was given an opportunity to

comment. Attached are copies of the staff report and minutes of the December 18, 2012, and January 15, 2013, City Council meetings at which this item was discussed.

Some cities have chosen to formalize the process used for selecting appointees by adopting the process by ordinance or resolution. Attached are examples of policies adopted by the cities of Santa Rosa and East Palo Alto. Some cities have established standard application forms. Attached are examples of application forms from the cities of Dublin, Fairfield, Fremont, and West Hollywood. Other cities determine the process on a case-by-case basis.

If Council chooses to formalize the procedure to be used for selecting appointees to the City Council, it is recommended that it be done by adopting a City Council policy by resolution. The City Council could direct staff to draft such a policy for City Council consideration, or the City Council could form a subcommittee of the City Council to do so.

Staff recommended that City Council discuss and provide direction on:

1. The procedures to fill City Council vacancies; and
2. The procedures for selecting appointees.

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

Robert Tanner asked if there could be an appointment without an election. Mayor Ives stated the appointment process does not require an election.

Robert Tanner asked if an eligibility list could be established. Mayor Ives stated that process is similar to what the Council did last time.

Mayor Pro Tem Maciel stated it was very costly to hold a special election, adding that the Council has authority to appoint an individual. Mayor Pro Tem Maciel stated the best option was to allow anyone to apply. Mayor Pro Tem added he was not an advocate of appointing the third highest vote getter.

Council Member Rickman stated whatever process Council agrees on, it should be a rigid process understood by everyone. Council Member Rickman asked if Council appoints and interviews applicants, would it be done in open forum. Mr. Sodergren stated it would be conducted in open session.

Council Member Rickman further stated he would like to see detailed procedures regarding how questions are formulated, how many questions are asked, and how follow up questions can be asked.

Council Member Young stated it was great that Council establishes a procedure going forward. Council Member Young stated she disagreed regarding appointing an individual who was the third largest vote getter. Council Member Young stated she believed an appointment should only be made from the individuals who ran for election. Council Member Young suggested establishing a policy that Council only consider appointing an individual who just ran for office in the election and in other circumstances (not immediately following an election) Council invite any individual to apply.

Council Member Manne stated immediately following an election the appointment should be made from the pool of individuals who ran for office; if it's not during an election, the process should include opening it up to the public for an interview process. Council Member Manne further stated he would like for the community to provide input regarding questions that were asked of the applicants.

Mayor Ives stated it was good that Council was discussing the process. Mayor Ives stated he liked the idea of getting public input on the questions and believes the process should be open and not limited. Mayor Ives further stated he liked the City of Santa Rosa's voting procedure, which has been a point of contention for the City of Tracy. Mayor Ives suggested using the procedures from Santa Rosa as a starting point to formulate Tracy's procedure.

Council Member Rickman stated he wanted a process that was unbiased and as objective as possible.

Mayor Pro Tem Maciel agreed public input should be received regarding establishing questions, suggesting it be done through a subcommittee.

Mr. Sodergren stated he heard consensus that Council did not want to adopt any alternative procedures and rely on the general provisions of either calling a special election or appoint.

Mr. Sodergren further stated he heard consensus regarding a formalized appointment process if Council chooses to go that route. Mr. Sodergren asked for clarification regarding a vacancy during an election or whether the vacancy was due to other reasons.

Mayor Pro Tem Maciel stated the process should be open. Council Member Manne stated there was no harm keeping the process open. Council Member Young stated if the process was open it leaves room for corruption. Council Member Rickman stated he agreed with Council Member Young, adding if the process was open, he did not believe it should be bifurcated.

Mayor Ives stated he believed the process should be open and those candidates who ran for office would do better. Mayor Ives further stated it was the delegated authority of the Council to do so.

Mr. Sodergren stated he would take the Santa Rosa policy and make it into a policy for the City of Tracy and bring back options for Council to consider. Council Member Rickman asked if information regarding follow up questions could be included.

Council directed staff to return with an agenda item with options regarding an appointment process. Options to include a procedure for filling Council vacancies similar to the City of Santa Rosa, an open application process, input from community on questions for applicants, and procedures regarding follow up questions for applicants.

7. ITEMS FROM THE AUDIENCE – None.
8. STAFF ITEMS – None.

## 9. COUNCIL ITEMS

- A. Appoint an Applicant to the Tracy Arts Commission from the Commission's Eligibility List – Maria Hurtado provided the staff report. Ms. Hurtado stated there is one vacancy on the Tracy Arts Commission due to Commissioner Silveira resigning from the Commission on April 8, 2014. The last time appointments were made to the Tracy Arts Commission was January 7, 2014. At that time the subcommittee consisting of Council Member Rickman and Council Member Young nominated three applicants to fill vacancies on the Tracy Arts Commission and recommended one applicant be placed on an eligibility list. The purpose of an eligibility list is to fill vacancies that might occur in the 12 months following the last appointment to the board and/or commission. Council confirmed the subcommittee's nomination and the creation of an eligibility list. Resolution 2004-152, includes direction on the "Selections Process for Appointee Bodies," and also states that if an appointee will fill an un-expired term with six months or less remaining, the appointment shall be deemed to be for the new term.

At this time, Council can either appoint Ms. Poole to the Tracy Arts Commission to serve the remainder of a term commencing on May 7, 2014, and expiring on December 31, 2015, or direct staff to open a new recruitment. If a new recruitment is opened, Council would need to determine how to proceed with regard to Ms. Poole's status.

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

It was moved by Council Member Rickman and seconded by Council Member Young to approve the subcommittee's recommendation to appoint Danette Pool to the Tracy Arts Commission to serve the remainder of a term, which will commence on May 7, 2014, and expire on December 31, 2015. Voice vote found all in favor; passed and so ordered.

- B. Appoint an Applicant to the Transportation Advisory Commission from the Commission's Eligibility List – Maria Hurtado, Interim City Manager, stated there was one vacancy on the Transportation Advisory Commission due to Commissioner George resigning from the Commission on April 15, 2014. The last time appointments were made to the Transportation Advisory Commission was April 15, 2014. At that time the subcommittee consisting of Council Member Rickman and Council Member Young nominated two applicants to fill vacancies on the Transportation Advisory Commission and recommended three applicants be placed on an eligibility list. The purpose of an eligibility list is to fill vacancies that might occur in the 12 months following the last appointment to the board and/or commission. Council confirmed the subcommittee's nomination and the creation of an eligibility list. Resolution 2004-152, includes direction on the "Selections Process for Appointee Bodies," and also states that if an appointee will fill an un-expired term with six months or less remaining, the appointment shall be deemed to be for the new term.

At this time, Council can either appoint Mr. Alvarez to the Transportation Advisory Commission to serve the remainder of a term commencing on May 7, 2014, and

expiring on April 30, 2015, or direct staff to open a new recruitment. If a new recruitment is opened, Council would need to determine how to proceed with regard to Mr. Alvarez's status.

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

It was moved by Council Member Young and seconded by Council Member Rickman to approve the subcommittee's recommendation to appoint Doug Alvarez to the Transportation Advisory Commission to serve the remainder of a term, which will commence on May 7, 2014, and expire on April 30, 2015. Voice vote found all in favor; passed and so ordered.

- C. Consider Whether an Item to Discuss Placing a Ballot Measure Changing Mayoral Term Limits Should be on a Future Council Agenda – Mayor Ives stated he asked that the item be placed on the agenda for discussion. Mayor Ives further stated he was the first recipient of term limits. Mayor Ives added that two two-year terms is limiting.

Council Member Rickman stated in 2008 there was overwhelming support of term limits and that he has never heard that term limits are limiting. Council Member Rickman stated term limits went through the voting process and did not believe Council should be able to overturn it.

Council Member Manne asked for clarification of the actual request.

Mayor Ives stated he was not suggesting that the voters do not get another chance. Mayor Ives stated he was proposing that Council discuss whether or not it should be placed on a ballot.

Dan Sodergren, City Attorney, clarified that the term limit for Mayor was two terms for two years, while Council Members were two terms for four years. Mr. Sodergren stated he believed the Mayor was suggesting that the Mayor's term be changed from two years to four years; not eliminating the term limit initiative.

Council Member Young stated the Mayor position was crucial and that she was open to discuss it.

Council Member Manne stated he had no interest in opening a discussion of term limits for the Mayor, but was interested in talking about the length of the terms.

Council Member Rickman stated he was in favor of term limits.

A majority of the Council was in favor of placing an item on a future agenda related to placing a ballot measure changing Mayoral term limits.

- D. Accept Travel Report from Mayor Pro Tem Maciel and Council Member Nancy Young's Attendance on San Joaquin One Voice Trip to Washington D.C. - Maria Hurtado, Interim City Manager, provided the staff report. Mayor Pro Tem Maciel and Council Member Young attended the San Joaquin One Voice Trip to Washington, D.C. on April 6-10, 2014, as part of a delegation with the San

Joaquin Council of Governments to advocate for a number of important projects for the region. The week was spent meeting with members of Congress, Congressional staffers, and Congressional staffers, and agency officials who are influential for these requests. The Mayor Pro Tem and Council Member also participated in a number of meetings arranged by our Washington lobbyist Pat Jordan that were specific to Tracy projects. The Mayor Pro Tem M and Council Member also participated in a number of meetings arranged by our Washington lobbyist Pat Jordan that were specific to Tracy projects.

Council Member Young thanked the City for providing her the opportunity to attend the One Voice Trip. Council Member Young stated it was a great learning experience and that it was encouraging to be a part of San Joaquin County.

Mayor Pro Tem Maciel stated it was a great opportunity to meet other elected officials and Council of Government staff, and to understand each other's issues.

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

Council accepted the travel report.

Council Member Rickman congratulated those inducted into the Sports Hall of Fame on April 26, 2014.

Council Member Rickman reminded everyone of the May 17, and 18, 2014, Relay for Life event being held at the West Valley Mall.

Council Member Rickman invited everyone to the ground breaking event for the Tracy Animal Shelter being held May 20, 2014 at 4:00 p.m.

Council Member Manne expressed concern that the Tracy ball leagues may need assistance in developing their fields. It was Council consensus to forego the two-step agenda process and directed staff to return with an agenda item to discuss options on how the City may assist the leagues.

Council Member Young discussed the Crowns and Cases Special Needs Pageant held May 3, 2014, at the Grand Theatre.

10. ADJOURNMENT – It was moved by Council Member Manne and seconded by Mayor Pro Tem Maciel to adjourn. Voice vote found all in favor; passed and so ordered. Time: 9:27 p.m.

The above agenda was posted at the Tracy City Hall on May 1, 2014. The above are summary minutes. A recording is available at the office of the City Clerk.

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Mayor

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Interim City Clerk