

Tuesday, September 16, 2014, 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, including those distributed within 72 hours of a regular City Council meeting, 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.

CALL TO ORDER
PLEDGE OF ALLEGIANCE
INVOCATION
ROLL CALL

1. CONSENT CALENDAR

- A. Approval of Minutes
- B. Approve a Professional Services Agreement With Dakota Press, Inc. for the Printing of the City of Tracy Recreation Activity Guide and Authorize the Mayor to Execute the Agreement
- C. Authorization to Enter Into a Professional Services Agreement With World Events, Inc. to Perform Youth Basketball League Services for the City of Tracy and for the Mayor to Sign the Agreement
- D. Declare and Approve the List of Surplus Equipment for Sale at Public Auction to the Highest Bidder
- E. Authorize Amendment of the Position Control Roster by Approving the Reallocation of Two Full Time Recreation Specialist Positions to One Recreation Program Coordinator I Position and One Part Time Recreation Leader III Position
- F. Approve the Union Pacific Railroad (UPRR) Company Public Highway At-Grade Crossing Improvement Agreement and Supplemental Agreement to Provide Intersection Improvements at the Intersection of Eleventh Street and MacArthur Drive (Western) at Mile Post 83.15 – Eleventh Street (DOT No. 753058M) and Authorize the Mayor to Execute the Agreements
- G. Approve the Final Subdivision Map and Subdivision Improvement Agreement for Trinity Lane, Tract 3820, Authorize the Mayor to Execute the Agreement, and Authorize the City Clerk to File the Agreement With the San Joaquin County Recorder
- H. Approve the Final Subdivision Map and Subdivision Improvement Agreement for Primrose - Phase 1, Tract 3772, Authorize the Mayor to Execute the Agreement, and Authorize the City Clerk to File the Subdivision Improvement Agreement With the San Joaquin County Recorder
- I. Authorization of Professional Services Agreement With West Yost Associates for the 2014 Aquifer Storage and Recovery Program and Authorization for the Mayor to Execute the Agreement
- J. Approve Amendment Number 1 to the Master Professional Services Agreement With SNG & Associates, Inc. for Staff Support and Plan/Map Review Services
- K. Authorization of Laboratory Services for Fiscal Year 2014 – 2015

- L. Adopt Resolution Authorizing the Mayor to Sign Terms and Conditions of Accepting Airport Improvement Program Grants; Execute Grant Agreement AIP #3-06-0259-016-2014 in the Amount of \$7,126,261 With Federal Aviation Administration for Reimbursement for Engineering and Design Work on the Airport Pavement Project, Reconstruction of Runways 12-30 and 8-26, and Reconstruction of Taxiways A, B, D, and E Including Runway/Taxiway Intersections
2. ITEMS FROM THE AUDIENCE
3. PUBLIC HEARING TO AUTHORIZE, BY IMPLEMENTING RESOLUTION, THE ADOPTION OF THE PUBLIC SAFETY AB1600 DEVELOPMENT IMPACT FEE STUDY AND UPDATED PUBLIC SAFETY FEES FOR THE CITYWIDE MASTER PLANS, NORTHEAST INDUSTRIAL PHASE 1, NORTHEAST INDUSTRIAL PHASE 2, INFILL, GATEWAY PHASE 1, ISP SOUTH, PLAN C, ELLIS, SOUTH MACARTHUR PLANNING AREA AND I-205
4. RECEIVE UPDATE AND PROVIDE INPUT ON CURRENT AND FUTURE SENIOR NEEDS OF SENIOR CITIZENS IN TRACY BASED ON THE RESULTS FROM THE COMMUNITY CONVERSATIONS
5. RECEIVE AND DISCUSS UPDATE REGARDING THE TRACY UNIFIED SCHOOL DISTRICT (TUSD) BOARD OF TRUSTEES DECISION TO TERMINATE THE WEST HIGH SCHOOL POOL JOINT USE AGREEMENT
6. ACCEPT CITY TREASURER ANNUAL REVIEW AND UPDATE OF CITY INVESTMENT POLICY
7. AUTHORIZE AND DIRECT THE CITY MANAGER TO SIGN THE PETITION OF SUPPORT AND CAST A BALLOT IN SUPPORT OF THE RENEWAL OF THE DOWNTOWN TRACY COMMUNITY BENEFIT DISTRICT AND ADOPT A RESOLUTION OF INTENT
8. APPROVE AMENDMENT NO. 1 TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF TRACY AND THE GRAND FOUNDATION AND AUTHORIZE THE MAYOR TO EXECUTE THE AMENDMENT
9. RECEIVE AND DISCUSS THE GRAND THEATRE CENTER FOR THE ARTS ANNUAL REPORT AND ACCEPT THE GRAND FOUNDATION'S FISCAL YEAR 2014/15 ANNUAL UNDERWRITING SUPPORT AND APPROVE A SUPPLEMENTAL APPROPRIATION IN THE AMOUNT OF \$25,000 FOR PROGRAMMING AND TECHNICAL SUPPORT AT THE GRAND THEATRE CENTER FOR THE ARTS
10. AUTHORIZE A BUDGET ADJUSTMENT TO HIRE PART-TIME LIMITED SERVICE STAFF TO SUPPORT A TEMPORARY RENTAL OF THE GRAND THEATRE CENTER FOR THE ARTS
11. ITEMS FROM THE AUDIENCE
12. STAFF ITEMS
- A. City Manager's Report

13. COUNCIL ITEMS

14. ADJOURNMENT

JOINT TRACY CITY COUNCIL/SUCCESSOR AGENCY TO THE COMMUNITY
DEVELOPMENT AGENCY SPECIAL MEETING MINUTES

September 2, 2014, 5:45 p.m.

City Council Chambers, 333 Civic Center Plaza

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

1. CALL TO ORDER – Mayor Ives called the meeting to order at 5:45 p.m. for the purpose of a closed session to discuss the items outlined below.
2. ROLL CALL – Roll call found Council Members Manne, Rickman, Young, Mayor Pro Tem Maciel and Mayor Ives present.
3. ITEMS FROM THE AUDIENCE – None.
4. Approval of Minutes – It was moved by Agency Member Maciel and seconded by Agency Member Rickman to approve the May 7, 2013, Successor Agency to the City of Tracy Community Development Agency closed session minutes. Voice vote found all in favor; passed and so ordered.
5. REQUEST TO CONDUCT CLOSED SESSION –

Pending Litigation (Government Code, section 54956.9(d)(2))

Successor Agency to the Community Development Agency of the City of Tracy, et al. v. Department of Finance, et al. (Sacramento County Superior Court Case No. 34-2013-80001570)

City of Tracy v. State Water Resources Control Board (Sacramento County Superior Court Case No. 39-2009-00215516)
6. MOTION TO RECESS TO CLOSED SESSION – Mayor Pro Tem Maciel motioned to recess the meeting to closed session at 5:46 p.m. It was seconded by Council Member Rickman. Voice vote found all in favor; passed and so ordered.
7. RECONVENE TO OPEN SESSION – Mayor Ives reconvened the meeting into open session at 5:46 p.m.
8. REPORT OF FINAL ACTION – In the matter of the Successor Agency to the Community Development Agency of the City of Tracy, et. Al. v. California Department of Finance, et. Al. (Sacramento County Superior Court Case No. 34-2013-80001570), it was moved by Council Member Manne and seconded by Council Member Rickman to authorize the filing of an appeal of the judgment and order of the Superior Court. Voice vote found all in favor; passed and so ordered.

9. ADJOURNMENT – It was moved by Council Member Rickman and seconded by Mayor Pro Tem Maciel to adjourn the meeting. Voice vote found all in favor; passed and so ordered. Time: 5:57 p.m.

The above agenda was posted at City Hall on August 28, 2014. The above are action minutes.

Mayor

ATTEST:

Interim City Clerk

AGENDA ITEM 1.B

REQUEST

APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH DAKOTA PRESS, INC. FOR THE PRINTING OF THE CITY OF TRACY RECREATION ACTIVITY GUIDE AND AUTHORIZE THE MAYOR TO EXECUTE THE AGREEMENT

EXECUTIVE SUMMARY

Staff is recommending that Council award the printing of the City of Tracy Recreation Activity Guide to Dakota Press, Inc., based on its proposal being the most capable of the required high quality services and most cost effective proposal as outlined in the scope of services.

DISCUSSION

The printing of the City of Tracy Recreation Activity Guide project was advertised for proposals on July 10, 2014. The Request For Proposal (RFP) was sent to numerous print vendors throughout the region on the Recreation Division's mailing list. A pre-proposal meeting was held on July 30, 2014, at 2:00 p.m. at City Hall. The meeting was not mandatory and three prospective vendors attended the pre-proposal meeting. The final date to submit sealed proposals was August 4, 2014, at 5:00 p.m. The proposals were received and reviewed at 4:00 p.m. on August 6, 2014, resulting in the following:

PROPOSALS

<u>Contractor:</u>	<u>Proposal Amount:</u>
Dakota Press, Inc.	32-44 Page Catalog \$6,141-\$10,266
PSP	32-44 Page Catalog \$5,107-\$8,817
Willey Printing	32-44 Page Catalog \$7,335-\$12,132

A Printing Review Committee comprised of staff reviewed nine proposals; six of the nine were nonresponsive and could not be reviewed for consideration. Dakota Press, Inc. was identified as the preferred print vendor capable of the required high quality services and most cost effective proposal as outlined in the scope of services. Staff recommends that the City Council accept the responsive proposal from Dakota Press, Inc. Attached as Exhibit "A" is the Agreement which includes the Scope of Services and Specifications.

STRATEGIC PLAN

This item supports the Quality of Life Strategy:
Goal 3: Cultivate Community Engagement through digital and traditional means.

FISCAL IMPACT

Approximately \$30,000 is available in the FY 2014/15 budget. The proposed Agreement with Dakota Press, Inc. provides services through September of 2017.

RECOMMENDATION

That City Council, by Resolution, approves a Professional Services Agreement with Dakota Press, Inc. for the printing of the City of Tracy Recreation Activity Guide and authorizes the Mayor to execute the agreement.

Prepared by: Jolene Jauregui, Recreation Services Supervisor

Reviewed by: Kim Scarlata, Division Manager II
Maria A. Hurtado, Assistant City Manager

Approved by: Maria A. Hurtado, Assistant City Manager
Troy Brown, City Manager

ATTACHMENTS

Exhibit A – Professional Services Agreement – Scope of Services

**CITY OF TRACY
PROFESSIONAL SERVICES AGREEMENT
Dakota Press, Inc.**

THIS PROFESSIONAL SERVICES AGREEMENT (hereinafter "Agreement") is made and entered into by and between the CITY OF TRACY, a municipal corporation (hereinafter "CITY"), and Dakota Press, Inc., a California Corporation (hereinafter "CONSULTANT").

RECITALS

- A. Whereas, CITY requested proposals from numerous printing companies and CONTRACTOR'S proposal was determined to be the most cost effective for the CITY's needs
- B. Whereas, CITY'S City Council authorized entering into this Agreement on September 16, 2014, pursuant to Resolution 2014-__.

NOW THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **SCOPE OF SERVICES.** CONSULTANT shall perform the services described in Exhibit "A" attached hereto and incorporated herein by reference. The services shall be performed by, or under the direct supervision of, CONSULTANT's Authorized Representative: **Terry Kaufman**. CONSULTANT shall not replace its Authorized Representative, nor shall CONSULTANT replace any of the personnel listed in Exhibit "A," nor shall CONSULTANT use any subcontractors or subconsultants, without the prior written consent of the CITY.
2. **TIME OF PERFORMANCE.** Time is of the essence in the performance of services under this Agreement and the timing requirements set forth herein shall be strictly adhered to unless otherwise modified in writing in accordance with this Agreement. CONSULTANT shall commence performance, and shall complete all required services no later than the dates set forth in Exhibit "A." Any services for which times for performance are not specified in this Agreement shall be commenced and completed by CONSULTANT in a reasonably prompt and timely manner based upon the circumstances and direction communicated to the CONSULTANT. CONSULTANT shall submit all requests for extensions of time to the CITY in writing no later than ten days after the start of the condition which purportedly caused the delay, and not later than the date on which performance is due. CITY shall grant or deny such requests at its sole discretion.

CITY OF TRACY – PROFESSIONAL SERVICES AGREEMENT

Dakota Press, Inc.

Page 2 of 8

3. **INDEPENDENT CONTRACTOR STATUS.** CONSULTANT is an independent contractor and is solely responsible for all acts of its employees, agents, or subconsultants, including any negligent acts or omissions. CONSULTANT is not CITY's employee and CONSULTANT shall have no authority, express or implied, to act on behalf of the CITY as an agent, or to bind the CITY to any obligation whatsoever, unless the CITY provides prior written authorization to CONSULTANT. Contractors and Consultants are free to work for other entities while under contract with the CITY. Contractors and Consultants are not entitled to CITY benefits.
4. **CONFLICTS OF INTEREST.** CONSULTANT (including its employees, agents, and subconsultants) shall not maintain or acquire any direct or indirect interest that conflicts with the performance of this Agreement. In the event that CONSULTANT maintains or acquires such a conflicting interest, any contract (including this Agreement) involving CONSULTANT's conflicting interest may be terminated by the CITY.
5. **COMPENSATION.**
 - 5.1. For services performed by CONSULTANT in accordance with this Agreement, CITY shall pay CONSULTANT on a time and expense basis, at the billing rates set forth in Exhibit "A," attached hereto and incorporated herein by reference. CONSULTANT's fee for this Agreement is Not To Exceed \$50,000 annually. CONSULTANT's billing rates shall cover all costs and expenses of every kind and nature for CONSULTANT's performance of this Agreement. No work shall be performed by CONSULTANT in excess of the Not To Exceed amount without the prior written approval of the CITY.
 - 5.2. CONSULTANT shall submit monthly invoices to the CITY describing the services performed, including times, dates, and names of persons performing the service.
 - 5.3. Within thirty days after the CITY's receipt of invoice, CITY shall make payment to the CONSULTANT based upon the services described on the invoice and approved by the CITY.
6. **TERMINATION.** The CITY may terminate this Agreement by giving ten days written notice to CONSULTANT. Upon termination, CONSULTANT shall give the CITY all original documents, including preliminary drafts and supporting documents, prepared by CONSULTANT for this Agreement. The CITY shall pay CONSULTANT for all services satisfactorily performed in accordance with this Agreement, up to the date notice is given.
7. **OWNERSHIP OF WORK.** All original documents prepared by CONSULTANT for this Agreement, whether complete or in progress, are the property of the CITY, and shall be given to the CITY at the completion of CONSULTANT's services, or upon demand from the CITY. No such documents shall be revealed or made

CITY OF TRACY – PROFESSIONAL SERVICES AGREEMENT

Dakota Press, Inc.

Page 3 of 8

City.

8. **ATTORNEY'S FEES.** In the event any legal action is commenced to enforce this Agreement, the prevailing party is entitled to reasonable attorney's fees, costs, and expenses incurred.
9. **INDEMNIFICATION.** CONSULTANT shall indemnify, defend, and hold harmless the CITY (including its elected officials, officers, agents, volunteers, and employees) from and against any and all claims, demands, damages, liabilities, costs, and expenses (including court costs and attorney's fees) resulting from or arising out of CONSULTANT's performance of services under this Agreement, except for such loss or damage arising from the sole negligence or willful misconduct of the CITY.
10. **BUSINESS LICENSE.** Prior to the commencement of any work under this Agreement, CONSULTANT shall obtain a City of Tracy Business License.
11. **INSURANCE.**
 - 11.1. **General.** CONSULTANT shall, throughout the duration of this Agreement, maintain insurance to cover CONSULTANT, its agents, representatives, and employees in connection with the performance of services under this Agreement at the minimum levels set forth herein.
 - 11.2. **Commercial General Liability** (with coverage at least as broad as ISO form CG 00 01 01 96) "per occurrence" coverage shall be maintained in an amount not less than \$2,000,000 general aggregate and \$1,000,000 per occurrence for general liability, bodily injury, personal injury, and property damage.
 - 11.3. **Automobile Liability** (with coverage at least as broad as ISO form CA 00 01 07 97, for "any auto") "claims made" coverage shall be maintained in an amount not less than \$1,000,000 per accident for bodily injury and property damage.
 - 11.4. **Workers' Compensation** coverage shall be maintained as required by the State of California.
 - 11.5. **Endorsements.** CONSULTANT shall obtain endorsements to the automobile and commercial general liability with the following provisions:
 - 11.5.1 The CITY (including its elected officials, officers, employees, agents, and volunteers) shall be named as an additional "insured."
 - 11.5.2 For any claims related to this Agreement, CONSULTANT's coverage shall be primary insurance with respect to the CITY. Any insurance maintained by the CITY shall be excess of the CONSULTANT's insurance and shall not contribute with it.
 - 11.6. **Notice of Cancellation.** CONSULTANT shall obtain endorsements to all insurance policies by which each insurer is required to provide thirty days

CITY OF TRACY – PROFESSIONAL SERVICES AGREEMENT

Dakota Press, Inc.

Page 4 of 8

prior written notice to the CITY should the policy be canceled before the expiration date. For the purpose of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation.

- 11.7. **Authorized Insurers.** All insurance companies providing coverage to CONSULTANT shall be insurance organizations authorized by the Insurance Commissioner of the State of California to transact the business of insurance in the State of California.
- 11.8. **Insurance Certificate.** CONSULTANT shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance, in a form satisfactory to the City, no later than five days after the execution of this Agreement.
- 11.9. **Substitute Certificates.** No later than thirty days prior to the policy expiration date of any insurance policy required by this Agreement, CONSULTANT shall provide a substitute certificate of insurance.
- 11.10. **CONSULTANT's Obligation.** Maintenance of insurance by the CONSULTANT as specified in this Agreement shall in no way be interpreted as relieving the CONSULTANT of any responsibility whatsoever (including indemnity obligations under this Agreement), and the CONSULTANT may carry, at its own expense, such additional insurance as it deems necessary.

12. **ASSIGNMENT AND DELEGATION.** This Agreement and any portion thereof shall not be assigned or transferred, nor shall any of the CONSULTANT's duties be delegated, without the written consent of the CITY. Any attempt to assign or delegate this Agreement without the written consent of the CITY shall be void and of no force and effect. A consent by the CITY to one assignment shall not be deemed to be a consent to any subsequent assignment.

13. **NOTICES.**

- 13.1 All notices, demands, or other communications which this Agreement contemplates or authorizes shall be in writing and shall be personally delivered or mailed to the respective party as follows:

To CITY:

Kim Scarlata
Recreation Manager
City of Tracy
333 Civic Center Plaza
Tracy, CA 95376

To CONSULTANT:

Terry Kaufman
Production Manager
Dakota Press, Inc.
14400 Doolittle Dr.
San Leandro, CA 94577

CITY OF TRACY – PROFESSIONAL SERVICES AGREEMENT

Dakota Press, Inc.

Page 5 of 8

With a copy to:

City Attorney
333 Civic Center Plaza
Tracy, CA 95376

- 13.2** Communications shall be deemed to have been given and received on the first to occur of: (1) actual receipt at the address designated above, or (2) three working days following the deposit in the United States Mail of registered or certified mail, sent to the address designated above.
- 14. MODIFICATIONS.** This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by both parties.
- 15. WAIVERS.** Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement.
- 16. SEVERABILITY.** In the event any term of this Agreement is held invalid by a court of competent jurisdiction, the Agreement shall be construed as not containing that term, and the remainder of this Agreement shall remain in full force and effect.
- 17. JURISDICTION AND VENUE.** The interpretation, validity, and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement shall be filed and heard in a court of competent jurisdiction in the County of San Joaquin.
- 18. ENTIRE AGREEMENT.** This Agreement comprises the entire integrated understanding between the parties concerning the services to be performed for this project. This Agreement supersedes all prior negotiations, representations, or agreements.
- 19. COMPLIANCE WITH THE LAW.** CONSULTANT shall comply with all local, state, and federal laws, whether or not said laws are expressly stated in this Agreement.
- 20. STANDARD OF CARE.** Unless otherwise specified in this Agreement, the standard of care applicable to CONSULTANT's services will be the degree of skill and diligence ordinarily used by reputable professionals performing in the same or similar time and locality, and under the same or similar circumstances.
- 21. SIGNATURES.** The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity, and authority to enter into and to

CITY OF TRACY – PROFESSIONAL SERVICES AGREEMENT

Dakota Press, Inc.

Page 6 of 8

execute this Agreement on behalf of the respective legal entities of the CONSULTANT and the CITY. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF the parties do hereby agree to the full performance of the terms set forth herein.

CITY OF TRACY

DAKOTA PRESS, INC.

By: Brent H. Ives

Title: Mayor

Date: _____

Attest:

By: Carole Fleischmann

Title: Interim City Clerk

Date: _____

Approved As To Form:

By: Daniel G. Sodergren

Title: City Attorney

Date: _____

Mari Reid

By: Mari Reid

Title: President

Date: 8/18/2014

Fed. Employer ID No. 27-1729724

Gary Reid

By: Gary Reid

Title: Secretary

Date: 8/18/2014

EXHIBIT "A"
SCOPE OF SERVICES

Project Objectives

The City's primary objective for this Agreement is to obtain quality printing services to support the programming and marketing of the City of Tracy Recreation Activity Guide.

Project Restrictions

Timing: As the City understands the timing restrictions for this project, the following schedule must be met:

Activity Guide Issue	Camera Ready Copy to Printer	Printing Complete and Delivered to City of Tracy Recreation Division*
Winter/Spring 2015	Early November	Late November
Summer 2015	Mid March	Early April
Fall 2015	Mid July	Late July
Winter/Spring 2016	Early November	Late November
Summer 2016	Mid March	Early April
Fall 2016	Mid July	Late July
Winter/Spring 2017	Early November	Late November
Summer 2017	Mid March	Early April
Fall 2017	Mid July	Late July

CITY OF TRACY – PROFESSIONAL SERVICES AGREEMENT

Dakota Press, Inc.

Page 8 of 8

City of Tracy Recreation Activity Guide (9)

Three catalogs produced seasonally (winter-spring/summer/fall) to market classes in adults, aquatics, youth, teens and seniors.

Format: Catalog Booklet of approximately 32 to 44 total pages
Printer price breaks at 32/36/40/44 total pages with self- cover

Trim Size: Approximately 8.375" x 10.875" folded – 16.75" x 10.875" flat,
.25" bleed

Finishing: Trim & Half Fold

Binding: Saddle Stitched

Paper: 80# Text, Gloss, White (or equivalent)

Ink: 4/C Process & Gloss AQ

Quantity: 8,000 to 10,000 copies per edition

Winter/Spring 2015 \$6,141 – \$10,266	Summer 2015 \$6,141 – \$10,266	Fall 2015 \$6,141 – \$10,266
Winter/Spring 2016 \$6,141 – \$10,266	Summer 2016 \$6,141 – \$10,266	Fall 2016 \$6,141 – \$10,266
Winter/Spring 2017 \$6,141 – \$10,266	Summer 2017 \$6,141 – \$10,266	Fall 2017 \$6,141 – \$10,266

Delivery

- a. Upon receipt of copy and artwork, printer will have up to fifteen working days to deliver final to post office and to City. Prepare and deliver correct number of copies sufficient for Tracy Post Office to deliver to designated City of Tracy households.
- b. Bundle, skid balance, and deliver remainder of copies to City of Tracy, Recreation Division at 333 Civic Center Plaza, Tracy, CA 95376. Do not send to post office boxes or to business addresses.

RESOLUTION _____

APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH DAKOTA PRESS, INC.
FOR THE PRINTING OF THE CITY OF TRACY RECREATION ACTIVITY GUIDE AND
AUTHORIZE THE MAYOR TO EXECUTE THE AGREEMENT

WHEREAS, On July 10, 2014, the project for Printing of the City of Tracy Recreation Activity Guide was advertised for proposals and the Request for proposal (RFP) was posted on the City website and sent to companies on the Recreation Division's mailing list, and

WHEREAS, a pre-proposal meeting was held on July 30, 2014, at 2:00 p.m. and was not mandatory and there were three attendees at the meeting, and

WHEREAS, the final date to submit proposals was August 4, 2014, at 5:00 p.m., and

WHEREAS, the proposals were publicly opened at 4:00 p.m. on August 6, 2014, and

WHEREAS, the Printing Review Committee comprised of staff opened the proposals and reviewed the proposals, and

WHEREAS, Dakota Press, Inc. was the most cost effective proposal of the required quality print services out of the three proposals submitted, and

WHEREAS, approximately \$30,000 was budgeted in FY 2014/15 for the printing of three (3) 32-44 page City of Tracy Recreation Activity Guides per year, with the proposal award providing contract services through September 2017;

NOW, THEREFORE, BE IT RESOLVED, That City Council approves a Professional Services Agreement with Dakota Press, Inc. for the printing of City of Tracy Recreation Activity Guide and authorizes the Mayor to execute the agreement.

* * * * *

The foregoing Resolution _____ was adopted by the Tracy City Council on the _____ day of _____, 2014, by the following vote:

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

MAYOR

ATTEST:

INTERIM CITY CLERK

AGENDA ITEM 1.C

REQUEST

AUTHORIZATION TO ENTER INTO A PROFESSIONAL SERVICES AGREEMENT WITH WORLD EVENTS, INC. TO PERFORM YOUTH BASKETBALL LEAGUE SERVICES FOR THE CITY OF TRACY AND FOR THE MAYOR TO SIGN THE AGREEMENT

EXECUTIVE SUMMARY

On July 10, 2014, the City of Tracy issued a Request for Proposals to obtain the services of a contractor to perform Youth Basketball League Services for the City. There was one proposal submitted by the August 13, 2014 deadline. The proposal submitted by World Events, Inc. was determined to be acceptable. Staff is now requesting that City Council approve a contract between the City and World Events, Inc. for the provision of Youth Basketball League Services for 2014 and 2015.

DISCUSSION

A Request for Proposals was posted on the City's website and also provided to the Bay Area News Group on or about July 18, 2014. One proposal was submitted to the City by the deadline of August 13, 2014. After reviewing the proposal from World Events, Inc., staff determined that the proposal was acceptable. World Events, Inc. has been providing these same services to surrounding cities in the San Joaquin County for over four years. Staff has negotiated an agreement with World Events, Inc.

The rates are as follows: \$80 per participant for children grades 3rd through 8th. Staff has negotiated a 60/40 percent compensation agreement with World Events, Inc. for services performed.

The proposed agreement also permits the City Manager, at the City Manager's discretion, to extend the agreement for two additional one-year terms provided that the Tracy City Council through the annual budget process appropriates the funds for these services. The proposed agreement also permits the City to cancel the program in the event that there is insufficient registration to satisfy the expense of operating the program. The Professional Services Agreement is attached as Exhibit "A."

STRATEGIC PLAN

This agenda item supports the Council Strategic Priority Quality of Life Strategy, specifically:

Goal 1: Improve current recreation and entertainment programming & services to reflect the community and match trending demands.

FISCAL IMPACT

Approximately \$20,000 has been included for Youth Basketball League Services in the FY 2014/15 budget. Under the proposed agreement with World Events, Inc., program revenue will be distributed 60%/40% to World Events, Inc. and the City respectively.

RECOMMENDATION

That the City Council, by resolution, authorize entering into a Professional Services Agreement with World Events, Inc. to perform Youth Basketball League Services for the 2014 and 2015 seasons of the Tracy Youth Basketball Program for the City of Tracy for the period of September 29, 2014 to February 28, 2015, with options to extend the Agreement for two one-year terms if the City Manager finds the services provided to be satisfactory and Council has appropriated money through the budget process for any such extensions and authorize the Mayor execute the Agreement.

Prepared by: Jolene Jauregui, Recreation Services Supervisor

Reviewed by: Kim Scarlata, Division Manager II
Maria A. Hurtado, Assistant City Manager

Approved by: Maria A. Hurtado, Assistant City Manager
Troy Brown, City Manager

ATTACHMENTS

Attachment - Exhibit "A" – Professional Services Agreement

City OF TRACY
PROFESSIONAL SERVICES AGREEMENT
Conducting Tracy's Youth Hoops Program

This Professional Services Agreement ("Agreement") is entered into between the City of Tracy, a municipal corporation ("City"), and World Events, Inc. a California Corporation ("Contractor").

RECITALS

- A. CITY desires to contract for services for conducting the City's Youth Hoops program.
- B. On July 10, 2014, CITY issued a Request for Proposals for Conducting Tracy's Youth Hoops Program (hereinafter "Project").
- C. On August 13, 2014, CONTRACTOR submitted its proposal for the Project to the City. After negotiations between CITY and CONTRACTOR, the parties have reached an agreement for the performance of services in accordance with the terms set forth in this agreement.
- D. On September 2, 2014, CITY's City Council authorized the execution of this Agreement, pursuant to resolution No. _____.

NOW THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

- 1. **SCOPE OF SERVICES.** Contractor shall perform the services described in Exhibit "A" attached and incorporated by reference. The services shall be performed by, or under the direct supervision of, Contractor's Authorized Representative: Anthony Grigsby. Contractor shall not replace its Authorized Representative, nor shall Contractor replace any of the personnel listed in Exhibit "A," nor shall Contractor use any subcontractors or subConsultants, without City's prior written consent.
- 2. **TIME OF PERFORMANCE.** Time is of the essence in the performance of services under this Agreement and the timing requirements set forth shall be strictly adhered to unless otherwise modified in writing in accordance with this Agreement. Contractor shall begin performance, and shall complete all required services no later than the dates set forth in Exhibit "A." Any services for which times for performance are not specified in this Agreement shall be started and completed by Contractor in a reasonably prompt and timely manner based upon the circumstances and direction communicated to the Contractor. Contractor shall submit all requests for extensions of time to the City in writing no later than ten days after the start of the condition which purportedly caused the delay, and not later than the date on which performance is due. City shall grant or deny such requests at its sole discretion.

City OF TRACY -- PROFESSIONAL SERVICES AGREEMENT

2014-2015 Tracy Youth Hoops Program

Page 2 of 8

3. **INDEPENDENT CONTRACTOR STATUS.** Contractor is an independent Contractor and is solely responsible for all acts of its employees, agents, or subcontractors, including any negligent acts or omissions. Contractor is not City's employee and Contractor shall have no authority, express or implied, to act on behalf of the City as an agent, or to bind the City to any obligation, unless the City provides prior written authorization to Contractor. Contractor is free to work for other entities while under contract with the City. Contractor is not entitled to City benefits.
4. **CONFLICTS OF INTEREST.** Contractor (including its employees, agents, and subcontractors) shall not maintain or acquire any direct or indirect interest that conflicts with the performance of this Agreement. If Contractor maintains or acquires such a conflicting interest, the City may terminate any contract (including this Agreement) involving Contractor's conflicting interest.
5. **COMPENSATION.**
 - 5.1 **General.** For services performed by Contractor under this Agreement, City shall pay Contractor on a time and 60 percent of the participant fees for programs in which Contractor provides the services set forth in Exhibit "A" (the "Programs"). Contractor's fee for this Agreement is Not to Exceed \$20,000.00. Contractor's billing rates shall cover all costs and expenses for Contractor's performance of this Agreement. No work shall be performed by Contractor in excess of the Not to Exceed amount without the City's prior written approval.
 - 5.2 **Invoices.** Contractor shall submit monthly invoices to the City describing the services performed, including times, dates, and names of persons performing the service.
 - 5.3 **Payment.** Within 30 days after the City's receipt of invoice, City shall make payment to the Contractor based upon the services described on the invoice and approved by the City.
6. **TERMINATION.** The City may terminate this Agreement by giving ten days written notice to Contractor. Upon termination, Contractor shall give the City all original documents, including preliminary drafts and supporting documents, prepared by Contractor for this Agreement. The City shall pay Contractor for all services satisfactorily performed in accordance with this Agreement, up to the date notice is given.
7. **OWNERSHIP OF WORK.** All original documents prepared by Contractor for this Agreement, whether complete or in progress, are the property of the City, and shall be given to the City at the completion of Contractor's services, or upon demand from the City. No such documents shall be revealed or made available by Contractor to any third party without the City's prior written consent.
8. **INDEMNIFICATION.** Contractor shall, to the fullest extent permitted by law, indemnify, defend (with independent counsel approved by the City), and hold harmless the City from and against any claims arising out of Contractor's

City OF TRACY -- PROFESSIONAL SERVICES AGREEMENT
2014-2015 Tracy Youth Hoops Program
Page 3 of 8

performance or failure to comply with obligations under this Agreement, except to the extent caused by the sole, active negligence or willful misconduct of the City.

In this section, "City" means the City, its officials, officers, agents, employees and volunteers; "Contractor" means the Contractor, its employees, agents and subContractors; "Claims" includes claims, demands, actions, losses, damages, injuries, and liability, direct or indirect (including any and all related costs and expenses in connection therein) and any allegations of these; and "Arising out of" includes "pertaining to" and "relating to".

(The duty of a "design professional" to indemnify and defend the City is limited to claims that arise out of, pertain to, or relate to the negligence, recklessness or willful misconduct of the design professional, under Civ. Code § 2782.8.)

The provisions of this section survive completion of the services or the termination of this contract, and are not limited by the provisions of Section 10 relating to insurance.

9. **BUSINESS LICENSE.** Before beginning work under this Agreement, Contractor shall obtain a City of Tracy Business License.

10. **INSURANCE.**

10.1 **General.** Contractor shall, throughout the duration of this Agreement, maintain insurance to cover Contractor, its agents, representatives, and employees in connection with the performance of services under this Agreement at the minimum levels set forth here.

10.2 **Commercial General Liability** (with coverage at least as broad as ISO form CG 00 01 01 96) "per occurrence" coverage shall be maintained in an amount not less than \$2,000,000 general aggregate and \$1,000,000 per occurrence for general liability, bodily injury, personal injury, and property damage.

10.3 **Automobile Liability** (with coverage at least as broad as ISO form CA 00 01 07 97, for "any auto") "claims made" coverage shall be maintained in an amount not less than \$1,000,000 per accident for bodily injury and property damage.

10.4 **Workers' Compensation** coverage shall be maintained as required by the State of California.

10.5 **Professional Liability** "claims made" coverage shall be maintained to cover damages that may be the result of errors, omissions, or negligent acts of Contractor in an amount not less than \$1,000,000 per claim.

10.6 **Endorsements.** Contractor shall obtain endorsements to the automobile and commercial general liability with the following provisions:

10.6.1 The City (including its elected officials, officers, employees, agents, and volunteers) shall be named as an additional "insured."

City OF TRACY -- PROFESSIONAL SERVICES AGREEMENT

2014-2015 Tracy Youth Hoops Program

Page 4 of 8

- 10.6.2 For any claims related to this Agreement, Contractor's coverage shall be primary insurance with respect to the City. Any insurance maintained by the City shall be excess of the Contractor's insurance and shall not contribute with it.
- 10.7 **Notice of Cancellation.** Contractor shall notify the City if the policy is canceled before the expiration date. For the purpose of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation. Contractor shall immediately obtain a replacement policy.
- 10.8 **Authorized Insurers.** All insurance companies providing coverage to Contractor shall be insurance organizations authorized by the Insurance Commissioner of the State of California to transact the business of insurance in the State of California.
- 10.9 **Insurance Certificate.** Contractor shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance, in a form satisfactory to the City, no later than five days after the execution of this Agreement.
- 10.10 **Substitute Certificates.** No later than 30 days prior to the policy expiration date of any insurance policy required by this Agreement, Contractor shall provide a substitute certificate of insurance.
- 10.11 **Contractor's Obligation.** Maintenance of insurance by the Contractor as specified in this Agreement shall in no way be interpreted as relieving the Contractor of any responsibility whatsoever (including indemnity obligations under this Agreement), and the Contractor may carry, at its own expense, such additional insurance as it deems necessary.
11. **ASSIGNMENT AND DELEGATION.** This Agreement and any portion of it shall not be assigned or transferred, nor shall any of the Contractor's duties be delegated, without the City's written consent. Any attempt to assign or delegate this Agreement without the City's written consent shall be void and of no effect. City's consent to one assignment shall not be deemed to be a consent to any subsequent assignment.
12. **MISCELLANEOUS.**
- 12.1 **Notices.** All notices, demands, or other communications which this Agreement contemplates or authorizes shall be in writing and shall be personally delivered or mailed to the other party as follows:

To City:
Kim Scarlata
Recreation Services Program Manager
333 Civic Center Plaza
Tracy, CA 95376

To Contractor:
World Events, Inc.
Anthony Grigsby, Program Director
501 W. Weber Ave. Ste. 100E
Stockton, CA 95203

City OF TRACY -- PROFESSIONAL SERVICES AGREEMENT

2014-2015 Tracy Youth Hoops Program

Page 5 of 8

With a copy to:

City Attorney
333 Civic Center Plaza
Tracy, CA 95376

Communications shall be deemed to have been given and received on the first to occur of: (1) actual receipt at the address designated above, or (2) three working days after the deposit in the United States Mail of registered or certified mail, sent to the address designated above.

- 12.2 Modifications.** This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by both parties.
- 12.3 Waivers.** Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement.
- 12.4 Severability.** If a term of this Agreement is held invalid by a court of competent jurisdiction, the Agreement shall be construed as not containing that term, and the remainder of this Agreement shall remain in effect.
- 12.5 Jurisdiction and Venue.** The interpretation, validity, and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement shall be filed and heard in a court of competent jurisdiction in the County of San Joaquin.
- 12.6 Entire Agreement.** This Agreement comprises the entire integrated understanding between the parties concerning the services to be performed. This Agreement supersedes all prior negotiations, representations or agreements.
- 12.7 Compliance with the Law.** Contractor shall comply with all local, state, and federal laws, whether or not those laws are expressly stated in this Agreement.
- 12.8 Standard of Care.** Unless otherwise specified in this Agreement, the standard of care applicable to Contractor's services will be the degree of skill and diligence ordinarily used by reputable professionals performing in the same or similar time and locality, and under the same or similar circumstances.
- 13. SIGNATURES.** The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of the respective legal entities of the Contractor

City OF TRACY -- PROFESSIONAL SERVICES AGREEMENT

2014-2015 Tracy Youth Hoops Program

Page 6 of 8

and the City. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

The parties agree to the full performance of the terms set forth here.

City of Tracy

World Events, Inc.

By: Brent H. Ives
Title: Mayor



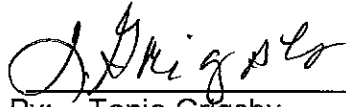
By: Anthony Grigsby
Title: President

Date: _____

Date: 8/21/14
Fed. Employer ID No. 46-0561113

Attest:

By: Carole Fleischmann
Title: Interim City Clerk



By: Tonie Grigsby
Title: Treasurer

Date: _____

Date: 8/21/2014

Approved As To Form:

By: Bill Sartor
Title: Assistant City Attorney

Date: _____

Exhibits:

- A Scope of Services, including personnel and time of performance (See Agreement sections 1 and 2.)

EXHIBIT "A"

Scope of Services

For the term of this agreement, Contractor shall provide the following services:

1. The term of this agreement shall be from September 29, 2014 through February 28, 2015. The City, at the sole discretion of the City Manager, may extend this agreement for two additional one-year terms provided that the City of Tracy City Council through the annual budget process appropriates the funds for these services. CITY's City Manager is authorized to execute an amendment to this Agreement to effectuate such Agreement extension. If CITY elects to extend the Agreement for such additional years, Contractor shall do so at the same fee rate as the original agreement.
2. Contractor shall schedule practices for teams in the league. These practice times shall be during the week nights between the hours of 5:00 PM and 8:00 PM. Each team shall be provided with one hour of facility use for practices per week with the exception of school holidays. This one hour of practice time may be structured so teams have one half hour of use of a full basketball court and one half hour use of a half basketball court.
3. Contractor shall recruit the necessary volunteer coaches to insure that each team in the program has at least one coach. Additionally, Contractor shall have each volunteer coach submit to a background check to ensure that they are suitable to perform these coaching duties for area youth and have each volunteer complete and turn in a volunteer/coach release of liability form/contract. Contractor shall provide at least one staff person who has passed a background check to supervisor volunteer coaches at all practices and games until such time as Contractor can provide the City with verification that the volunteer coach has passed the required background check.
4. Contractor shall follow and support the registration procedures and policies of the Department.
5. Contractor shall conduct a coach's clinic prior to the start of the season to provide training to volunteer coaches in the program.
6. Contractor shall provide City with copies of verification that each staff and volunteer involved in the program has passed the required background check.
7. Contractor shall recruit individuals (staff or volunteers) to perform referring (officiating) services for all league games. Contractor shall provide training and ensure such referees have the capability to perform these services.
8. Contractor shall conduct a player skills assessment day for all participants to enable the coaches within each division to evaluate the skills of the players.
9. Contractor shall conduct a player draft to formulate teams, using a system that will ensure equal skill level distribution of players to teams within a division.
10. Contractor shall, at their own cost, provide at least two practice basketballs of

City OF TRACY -- PROFESSIONAL SERVICES AGREEMENT

2014-2015 Tracy Youth Hoops Program

Page 8 of 8

- the appropriate size to each coach to facilitate practices.
11. Contractor shall at their own cost, order and provide to each player in the program a team uniform to wear during the league season.
 12. Contractor shall prepare and provide to each team, a league schedule consisting of a minimum of nine games.
 13. Contractor shall, either through the use of staff or volunteers, provide scoreboard operators and a separate scorekeeper for all league games.
 14. Contractor shall maintain records and standings for each division of play.
 15. Contractor shall at its own cost, purchase and provide each participant in the program with a participation award. Additionally, Contractor shall at their own cost, provide individual trophies for players on teams that finish in first place, second place, and third place.
 16. Contractor shall by October 1st, provide the City with a list of dates and times that City facilities will be needed by Contractor to conduct any meetings associated with fulfilling the terms of this agreement.
 17. Contractor shall ensure that at least one staff member at every game site is certified in CPR and First AID either through the American Red Cross or the American Heart Association.
 18. Contractor shall have its game officials comply with all regulations in the current California Interscholastic Federation (CIF) basketball rule book, except where the City of Tracy League regulations supersede from the City of Tracy Youth Hoops Rules in the performance of all duties.

For the term of this agreement, CITY shall provide the following support to Contractor:

1. City shall promote and market the Youth Hoops program to the community.
2. City shall receive all registration and participant fees associated with the program.
3. City shall provide Contractor with a complete list of all registered participants within two days after the program's registration deadline. Said list shall include participant's parent/guardian information and contact information.
4. City shall appoint one staff person to coordinate with Contractor in providing the services required, monitor this agreement and provide other assistance as needed.
5. City shall, as per the terms of this agreement, process any and all payment of fees for performance of these services.
6. City shall provide at no cost to Contractor, meeting rooms needed to fulfill the services outlined in this agreement, as long as Contractors request to use such facilities in provided to the City by the deadline outlined in this agreement.
7. City shall provide Contractor with two portable scoreboards for use at league games. Contractor shall be responsible for any damage to said board during the season and ensure they are in proper working condition when returned to the City.

RESOLUTION _____

AUTHORIZING ENTERING INTO A PROFESSIONAL SERVICES AGREEMENT WITH WORLD EVENTS, INC. TO PERFORM YOUTH BASKETBALL LEAGUE SERVICES FOR THE CITY OF TRACY AND AUTHORIZING THE MAYOR TO SIGN THE AGREEMENT

WHEREAS, The City has requested proposals and bids for the performance of youth basketball league services for the 2014/15 season of the Tracy Youth Hoops program, and

WHEREAS, World Events, Inc. submitted a proposal, and the City has come to an agreement with World Events, Inc. for the performance of youth basketball league services for the 2014-15 season of the Tracy Youth Hoops program, and

WHEREAS, The agreed 60/40 percent compensation for providing these youth basketball league services for the 2014/2015 season is fair market value for the services being provided, and

WHEREAS, The contract amount accounts for approximately 144 games to be played during the season, accommodating over 250 local youth on 32 teams, and

WHEREAS, The expenditures have been accounted for in the current Fiscal Year 2014/15 budget;

NOW, THEREFORE, BE IT RESOLVED, That City Council hereby authorizes the Mayor to execute the Professional Services Agreement with World Events, Inc. to perform youth basketball league services for the 2014/2015 season of the Tracy Youth Hoops program for the period of September 29, 2014 to February 28, 2015 and authorizes the City Manager to extend the Agreement for two one-year terms if the City Manager finds the services provided to be satisfactory and Council has appropriated money through the budget process for any such extensions.

* * * * *

The foregoing Resolution _____ was adopted by the Tracy City Council on the _____ day of _____, 2014, by the following vote:

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

MAYOR

ATTEST:

INTERIM CITY CLERK

AGENDA ITEM 1.D

REQUEST

DECLARE AND APPROVE THE LIST OF SURPLUS EQUIPMENT FOR SALE AT PUBLIC AUCTION TO THE HIGHEST BIDDER

EXECUTIVE SUMMARY

The City periodically declares equipment and commodities that have been used beyond their economical and/or useful life as surplus for sale at public auction.

DISCUSSION

The equipment and commodities on the attached list have been removed from service and are no longer needed by the City. These items have been used beyond their economical and/or useful life and may be declared as surplus property.

The disposal of surplus equipment and commodities or other property no longer needed by any department in the City is governed by Chapter 2.20 of the Tracy Municipal Code. Specifically, Section 2.20.310 identifies the method of disposition of surplus property. The City of Tracy Administrative Policy and Procedure regarding Disposal of Surplus Property states, The Public Works Director shall provide a list of surplus items and that City Council approval is needed if the total value is equal to or exceeds Two Thousand and no.100ths (\$2,000.00) Dollars.

These surplus items will be sold at public auction to the highest bidder. Items which are not sold at public auction will be reviewed for value, and if appropriate, sold for scrap value. Revenues generated from the sale generally go back to the originating fund or the Equipment/Vehicle Replacement Fund.

STRATEGIC PLAN

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

FISCAL IMPACT

The proceeds from the sale of surplus property will be deposited in the appropriate City fund from which the property was originally purchased. The estimated value of this surplus property is approximately \$40,000.

RECOMMENDATION

That the City Council, by resolution, declares and approves the list of surplus equipment and commodities, and authorize the sale of said items at public auction to the highest bidder.

Prepared by: Robert Gravelle, Public Works Superintendent

Agenda Item 1.D
September 16, 2014
Page 2

Reviewed by: David Ferguson, Public Works Director

Approved by: Maria A. Hurtado, Assistant City Manager
Troy Brown, City Manager

ATTACHMENTS

Attachment A – List of Surplus Equipment

SURPLUS EQUIPMENT

<u>City Asset ID</u>	<u>Description</u>	<u>Serial #</u>
1. 2295	2008 Ford Crown-Vic	2FAFP71V28X139316
2. 2294	2008 Ford Crown-Vic	2FAFP71V88X139319
3. 2230	2006 Ford Crown-Vic	2FAFP71W87X125394
4. 2172	2006 Ford Crown-Vic	2FAFP71W96X114693
5. 2129	2004 Global GEM	5ASAK27464F034283
6. 2078	2002 Ford F-250	1FTNF20LX2EC58736
7. 2075	2002 Jacobsen 1900D	67043-3067
8. 2070	2002 Ford F-150	1FTRX17W72NB25165
9. 2068	2002 Ford F-150	1FTRX17W52NB25164
10. 2067	2002 Jacobsen LF4675	67915-1693
11. 2065	2002 Jacobsen HR-9016	705251845
12. 2057	2002 Ford Crown-Vic	2FAFP71W82X129843
13. 2031	2001 Dodge Ram-1500	1B7HC16X11S209046
14. 2026	2001 Dodge Ram-Van	2B7HB11X71K518394
15. 9915	1999 Ford F-250	1FTNF20L8XEE66167
16. 9914	1999 Ford Taurus	1FAFP53SXXG227705
17. 9907	1999 Ford F-150	1FTZF1725XKB60327
18. 9810	1998 Dodge Ram-2500	3B6KC26Z2WM252831
19. 9609	1996 Ford E-150	1FTHE24H8THA23726
20. 9304	1993 Bobcat 853H	M510375210
21. 7004	1995 Grasshopper Mower	454402
22. N/A	N/A EZ-GO M1197	1066739
23. N/A	N/A Cromi Trailer	CA78CCT1064
24. 1 ea.	Pallet of old PVC fencing	
25. 1 ea.	Pallet of old mower reels	
26. 1 ea.	Pallet of broken metal trash receptacles	
27. 1 ea.	Pallet of old paint pots and scrap metal	
28. 1 ea.	Pallet of old flail mower cutting wheel	
29. 1 ea.	Pallet of old power tools	
30. 1 ea.	Pallet of old redi-stake tree ties	
31. 1 ea.	Pallet of old tractor tires and rims	
32. 1 ea.	Pallet of decorative plaster capitals	
33. 1 ea.	Pallet of misc. old vehicle parts	

RESOLUTION _____

DECLARING AND APPROVING THE LIST OF SURPLUS EQUIPMENT FOR SALE AT PUBLIC AUCTION TO THE HIGHEST BIDDER

WHEREAS, The City periodically declares equipment and commodities that have been used beyond their economical and/or useful life as surplus property, and

WHEREAS, The disposal of surplus equipment and commodities or other property no longer needed by any department in the City is governed by Chapter 2.20 of the Tracy Municipal Code. Specifically, Section 2.20.310 identifies the method of disposition of surplus property, and

WHEREAS, The listed surplus items will be sold at public auction to the highest bidder. Items which are not sold at public auction will be reviewed for value, and if appropriate, sold for scrap value, and

WHEREAS, The proceeds from the sale of the surplus property will be deposited in the appropriate City fund from which the property was originally purchased.

NOW, THEREFORE, BE IT RESOLVED, That the City Council declares and approves the list of surplus equipment and commodities, and authorizes the sale of said items at public auction to the highest bidder and the remaining items to be sold for scrap value, if appropriate.

The foregoing Resolution _____ was passed and adopted by the Tracy City Council on the 16th day of September 2014, by the following vote:

AYES: COUNCIL MEMBERS

NOES: COUNCIL MEMBERS

ABSENT: COUNCIL MEMBERS

ABSTAIN: COUNCIL MEMBERS

MAYOR

ATTEST:

INTERIM CITY CLERK

AGENDA ITEM 1.E

REQUEST

AUTHORIZE AMENDMENT OF THE POSITION CONTROL ROSTER BY APPROVING THE REALLOCATION OF TWO FULL TIME RECREATION SPECIALIST POSITIONS TO ONE RECREATION PROGRAM COORDINATOR I POSITION AND ONE PART TIME RECREATION LEADER III POSITION

EXECUTIVE SUMMARY

This report recommends the reallocation of two Recreation Specialist positions to one Recreation Coordinator I and one Part Time Recreation Leader III to better deploy resources within the Recreation Services Division.

DISCUSSION

On June 17, 2014, Council approved the FY 2014/15 operating budget which included funding for two full time Recreation Specialist positions. Due to staffing turnover in the Recreation Services Division, this is an opportunity to restructure existing staffing models without the need for additional funding.

Reallocation Recommendations

The approved FY 2014/15 Budget and Position Control Roster included two new full time Recreation Specialists positions to oversee eight recreation program areas. These positions were funded through the reallocation of existing part time, limited service positions and salary savings from a vacant Recreation Coordinator I in FY 2013/14

This proposed reallocation will redistribute the existing funds approved for two vacant full time Recreation Specialist positions to support one full time Recreation Program Coordinator I and a part time Recreation Leader III position. This staffing model will assist the Recreation Services oversee the Division's eight recreation programs.

No additional funds are being requested.

STRATEGIC PLAN

This agenda item supports the City's Governance Strategy and Business Plan, and specifically implements the following goals and objectives:

Governance Strategy

Goal 1: Further develop an organization to attract, motivate, develop, and retain a high-quality, engaged, high-performing, and informed workforce.

Objective 1b: Affirm organizational values.

FISCAL IMPACT

The table below represents the FY 2014/15 adopted and proposed positions impacted by the proposed reallocation. The anticipated cost of the reallocation is approximately \$184,976 or \$6,600 more than what was previously approved as part of the FY 2014/15 Budget. While the proposed Recreation Program Coordinator I and part time Recreation Leader III position will be primarily funded through reallocation of the Recreation Specialist positions, the net difference of \$6,600 will be offset by savings due to vacant athletic part-time staffing. The total fiscal impact will result in a General Fund savings of \$3,400.

Adopted FY 2014/15 Parks and Recreation Positions	Salary
Recreation Supervisor	\$ 100,562
Recreation Specialist	\$ 38,907
Recreation Specialist	\$ 38,907
<i>Total</i>	<i>\$ 178,376</i>

Proposed FY 2014/15 Parks and Recreation Positions	Salary
Recreation Supervisor	\$ 100,562
Recreation Coordinator I	\$ 69,542
Recreation Leader III – PT (1,040 hours)	\$ 14,872
<i>Total</i>	<i>\$ 184,976</i>

Difference	(\$ 6,600)
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Vacancy Savings- PT Staff Athletics	\$ 10,000
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General Fund Impact	\$ 3,400
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RECOMMENDATION

That the City Council, by resolution, authorize the Budget Officer to amend the Position Control Roster by approving the reallocation of two Recreation Specialist positions to one full time Recreation Program Coordinator I position and one part time Recreation Leader III position.

Prepared by: Midori Lichtwardt, Human Resources Division Manager II
 Kim Scarlata, Recreation Division Manager II
 Reviewed by: Jenny Haruyama, Administrative Services Director
 Approved by: Maria A. Hurtado, Assistant City Manager
 Approved by: Troy Brown, City Manager

RESOLUTION _____

AUTHORIZING AN AMENDMENT OF THE CITY'S POSITION CONTROL ROSTER BY APPROVING THE REALLOCATION OF TWO RECREATION SPECIALIST POSITIONS TO ONE RECREATION PROGRAM COORDINATOR I POSITION AND ONE PART TIME RECREATION LEADER III POSITION

WHEREAS, The City has a Position Control Roster, and

WHEREAS, The Recreation Division has completed a needs assessment and determined it is in the best interest and efficiency of the City Manager's Office to reallocate existing funding for two Recreation Specialist positions to fund one Recreation Program Coordinator I position and one part time Recreation Leader III position.

NOW, THEREFORE, BE IT RESOLVED, That the City Council authorizes the Administrative Services Director and the Budget Officer to amend the Position Control Roster as follows:

Reallocate two Recreation Specialist positions to one full time Recreation Program Coordinator I position and one part time Recreation Leader III position

The foregoing Resolution _____ was adopted by the Tracy City Council on the 16th day of September, 2014 by the following votes:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

MAYOR

ATTEST:

INTERIM CITY CLERK

AGENDA ITEM 1.F

REQUEST

APPROVE THE UNION PACIFIC RAILROAD (UPRR) COMPANY PUBLIC HIGHWAY AT-GRADE CROSSING IMPROVEMENT AGREEMENT AND SUPPLEMENTAL AGREEMENT TO PROVIDE INTERSECTION IMPROVEMENTS AT THE INTERSECTION OF ELEVENTH STREET AND MACARTHUR DRIVE (WESTERN) AT MILE POST 83.15 – ELEVENTH STREET (DOT NO 753058M) AND AUTHORIZE THE MAYOR TO EXECUTE THE AGREEMENTS

EXECUTIVE SUMMARY

The intersection improvements at Eleventh Street and MacArthur Drive (western) is an approved project and is in the design phase. Construction is tentatively scheduled to start in mid-2015. The existing Union Pacific Railroad (UPRR) crossing mechanism located within the intersection requires an upgrade to widen this portion of Eleventh Street to accommodate additional turn lanes. The upgrade includes concrete track panels, advanced preemption, upgrade of the railroad gate mechanism, etc. At the request of the City, UPRR has agreed to grant the City additional public access easements needed to reconstruct the railroad crossing facilities. To initiate the planning, design, and construction of the subject crossing, UPRR has requested that the City of Tracy execute a Public Highway At-Grade Improvement Agreement and Supplemental Agreement to get reimbursement from the City of Tracy for the cost of design and construction of the requested modifications. Approval of this agreement will initiate the design and construction of the UPRR improvements.

DISCUSSION

In the early 1990's, the Southern Pacific Transportation Company (currently Union Pacific Railroad Company) and the City of Tracy entered into an agreement granting the City the rights for construction, use, maintenance and repair of the Eleventh Street at-grade public road crossing. The Engineering Division of Development Services is currently in the process of preparing plans and specifications for intersection improvements at Eleventh Street and MacArthur Drive (western intersection). Construction of this project is tentatively scheduled for 2015.

The existing Union Pacific Railroad (UPRR) at grade crossing at the intersection will be widened to provide an additional west bound left turn lane, east bound right turn lane and a north bound right turn lane. These intersection improvements require modifications to the UPRR gate arm mechanism, signals, tracks, and interconnect. At the City's request, UPRR has agreed to provide improvements to the railroad crossing and provide a proposal to perform all necessary work within their right of way for an estimated cost of \$684,419 (copies of the agreements are attached).

The UPRR scope of work includes installation of 144 feet of crossing surface including ties and rail, one new gate arm mechanism, two new gates and cantilevers and one new flashing light mechanism. The scope also includes the installation of a signal cabinet and equipment to provide 26 seconds of advanced preemption at Mile Post 83.15. The

agreement also provides the City with a 495 square foot easement needed to facilitate the widening of the intersection. This work will be performed in conjunction with the intersection improvement project at Eleventh Street and MacArthur Drive - CIP 72069.

Reconstruction of this crossing will provide a durable surface and a smooth ride across all travel lanes. Modification to the railroad gate arm mechanism and installation of advanced preemption will ensure that vehicles can safely clear the tracks prior to the train's arrival.

The UPRR's preliminary cost estimate to furnish all labor, materials, equipment and supervision for the railroad crossing and associated improvements is \$684,419. The cost does not include flagging or other protective services provided by the railroad. Final project costs will be billed to the City upon completion of the project.

To initiate the agreement, UPRR requires an initial upfront payment in the amount of \$5,200. The remaining payments to UPRR will be made when billed to the City.

FISCAL IMPACT

The estimated cost of UPRR improvements is \$684,419. CIP 72069 is an approved Capital Improvement Project with sufficient funding and there will be no fiscal impact to the General Fund. The project is funded by a combination of funds: Gas Tax Fund 245, TDA Fund 241, and Transportation Sales Tax Fund 242. These funds will pay for the required UPRR improvements.

STRATEGIC PLAN

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

RECOMMENDATION

That City Council, by resolution, approve a Public Highway At-Grade Improvement Agreement and Supplemental Agreement with Union Pacific Railroad Company for intersection improvements at the railroad crossing at Eleventh Street and MacArthur Drive (Western) - CIP 72069, and authorize the Mayor to execute the Agreements.

Prepared by: Ripon Bhatia, Senior Civil Engineer

Reviewed by: Victoria Dion, City Engineer
Andrew Malik, Development Services Director

Approved by: Maria Hurtado, Assistant City Manager
Troy Brown, City Manager

UPRR Folder No.: 2204-86

UPRR Audit No.: _____

PUBLIC HIGHWAY AT-GRADE CROSSING IMPROVEMENT AGREEMENT

11th Street – DOT No. 753058M
Mile Post 83.15 - Tracy Subdivision
Tracy, San Joaquin County, California

THIS AGREEMENT ("Agreement") is made and entered into as of the ____ day of _____, 2014 ("Effective Date"), by and between **UNION PACIFIC RAILROAD COMPANY**, a Delaware corporation, to be addressed at Real Estate Department, 1400 Douglas Street, Mail Stop 1690, Omaha, Nebraska 68179 ("Railroad") and **CITY OF TRACY**, a municipal corporation or political subdivision of the State of California to be addressed at 324 Civic Center Plaza, Tracy, California ("City").

RECITALS:

Presently, the Political Body utilizes the Railroad's property for the existing the existing 11th Street at-grade public road crossing, DOT No. 753058M, at Railroad's Mile Post 83.15 (the "Roadway") on its Tracy Subdivision in or near Tracy, San Joaquin, California (hereinafter the "Political Body").

The Political Body now desires to use and maintain additional Railroad property at the Roadway by widening the existing 11th Street at-grade public road crossing by 495 square feet. The existing aforementioned 11th Street at-grade public road crossing, as improved to include the maintenance and use of additional Railroad property, is hereinafter the "Roadway," and where the Roadway crosses the Railroad's property is the "Crossing Area" in the location shown on the Railroad Location Print marked **Exhibit A**, attached hereto and hereby made a part hereof.

Under this Agreement, the Railroad will be granting the Political Body right to use and maintain 495 square feet of additional right of way to facilitate the reconstruction and widening of the existing 11th Street at-grade public road crossing as described in the Survey Print and Legal Description marked **Exhibit A-1** attached hereto and hereby made a part hereof.

The Railroad and the City are entering into this Agreement to cover the above.

AGREEMENT:

NOW, THEREFORE, it is mutually agreed by and between the parties hereto as follows:

ARTICLE 1.

The exhibits below are attached hereto and hereby made a part hereof.

Exhibit A	Railroad Location Print
Exhibit A-1	Survey print and Legal Description
Exhibit B	General Terms and Conditions
Exhibit C	Material and Force Estimate
Exhibit D	Railroad's Form of Contractor's Right of Entry Agreement

ARTICLE 2. EXHIBIT B

The General Terms and Conditions marked **Exhibit B**, are attached hereto and hereby made a part hereof.

ARTICLE 3. RAILROAD GRANTS RIGHT

For and in consideration **FIVE THOUSAND TWO HUNDRED DOLLARS (\$5,200.00)** to be paid by the Political Body to the Railroad upon the execution and delivery of this Agreement and in further consideration of the Political Body's agreement to perform and abide by the terms of this Agreement including all exhibits, the Railroad hereby grants to the Political Body the right to establish or construct or reconstruct, maintain, and repair the road crossing over and across the Crossing Area. Please see Article 12 for future work and/or repair requirements.

ARTICLE 4. DEFINITION OF CONTRACTOR

For purposes of this Agreement the term "Contractor" shall mean the contractor or contractors hired by the City to perform any Project work on any portion of the Railroad's property and shall also include the Contractor's subcontractors and the Contractor's and subcontractor's respective employees, officers and agents, and others acting under its or their authority.

ARTICLE 5. CONTRACTOR'S RIGHT OF ENTRY AGREEMENT - INSURANCE

- A. Prior to Contractor performing any work within the Crossing Area and any subsequent maintenance and repair work, the City shall require the Contractor to:
- i. execute the Railroad's then current Contractor's Right of Entry Agreement
 - ii. obtain the then current insurance required in the Contractor's Right of Entry Agreement; and
 - iii. provide such insurance policies, certificates, binders and/or endorsements to the Railroad.
- B. The Railroad's current Contractor's Right of Entry Agreement is marked **Exhibit D**, attached hereto and hereby made a part hereof. The City confirms that it will inform its Contractor that it is required to execute such form of agreement and obtain the required insurance before commencing any work on any Railroad property. Under no circumstances will the Contractor be allowed on the Railroad's property without first executing the Railroad's Contractor's Right of Entry Agreement and obtaining the insurance set forth therein and also providing to the Railroad the insurance policies, binders, certificates and/or endorsements described therein.
- C. All insurance correspondence, binders, policies, certificates and/or endorsements shall be sent to:
- Union Pacific Railroad Company*

*Real Estate Department
1400 Douglas Street, Mail Stop 1690
Omaha, NE 68179-1690
UPRR Folder No. 2204-86*

- D. If the City's own employees will be performing any of the Project work, the City may self-insure all or a portion of the insurance coverage subject to the Railroad's prior review and approval.

ARTICLE 6. FEDERAL AID POLICY GUIDE

If the City will be receiving any federal funding for the Project, the current rules, regulations and provisions of the Federal Aid Policy Guide as contained in 23 CFR 140, Subpart I and 23 CFR 646, Subparts A and B are incorporated into this Agreement by reference.

ARTICLE 7. NO PROJECT EXPENSES TO BE BORNE BY RAILROAD

The City agrees that no Project costs and expenses are to be borne by the Railroad. In addition, the Railroad is not required to contribute any funding for the Project.

ARTICLE 8. WORK TO BE PERFORMED BY RAILROAD; BILLING SENT TO CITY; CITY'S PAYMENT OF BILLS

- A. The work to be performed by the Railroad, at the City's sole cost and expense, is described in the Railroad's Material and Force Account Estimate dated February 27, 2014, marked **Exhibit C**, attached hereto and hereby made a part hereof (the "Estimate"). As set forth in the Estimate, the Railroad's estimated cost for the Railroad's work associated with the Project is **\$231,136.00**
- B. The Railroad, if it so elects, may recalculate and update the Estimate submitted to the City in the event the City does not commence construction on the portion of the Project located on the Railroad's property within six (6) months from the date of the Estimate.
- C. The City acknowledges that the Estimate does not include any estimate of flagging or other protective service costs that are to be paid by the City or the Contractor in connection with flagging or other protective services provided by the Railroad in connection with the Project. All of such costs incurred by the Railroad are to be paid by the City or the Contractor as determined by the Railroad and the City. If it is determined that the Railroad will be billing the Contractor directly for such costs, the City agrees that it will pay the Railroad for any flagging costs that have not been paid by any Contractor within thirty (30) days of the Contractor's receipt of billing.
- D. The Railroad shall send progressive billing to the City during the Project and final billing to the City within one hundred eighty (180) days after receiving written notice from the City that all Project work affecting the Railroad's property has been completed.
- E. The City agrees to reimburse the Railroad within thirty (30) days of its receipt of billing from the Railroad for one hundred percent (100%) of all actual costs incurred by the Railroad in connection with the Project including, but not limited to, all actual costs of engineering review (including preliminary engineering review costs incurred by Railroad prior to the Effective Date of this Agreement), construction, inspection, flagging (unless flagging costs are to be billed directly to the Contractor), procurement of materials, equipment rental, manpower and deliveries to the job site and all direct and indirect overhead labor/construction costs including Railroad's standard additive rates.

ARTICLE 9. PLANS

- A. The City, at its expense, shall prepare, or cause to be prepared by others, the detailed plans and specifications for the Project and submit such plans and specifications to the Railroad's Assistant Vice President Engineering-Design, or his authorized representative, for prior review and approval. The plans and specifications shall include all Roadway layout specifications, cross sections and elevations, associated drainage, and other appurtenances.
- B. The final one hundred percent (100%) completed plans that are approved in writing by the Railroad's Assistant Vice President Engineering-Design, or his authorized representative, are hereinafter referred to as the "Plans". The Plans are hereby made a part of this Agreement by reference.
- C. No changes in the Plans shall be made unless the Railroad has consented to such changes in writing.
- D. The Railroad's review and approval of the Plans will in no way relieve the City or the Contractor from their responsibilities, obligations and/or liabilities under this Agreement, and will be given with the understanding that the Railroad makes no representations or warranty as to the validity, accuracy, legal compliance or completeness of the Plans and that any reliance by the City or Contractor on the Plans is at the risk of the City and Contractor.

ARTICLE 10. NON-RAILROAD IMPROVEMENTS

- A. Submittal of plans and specifications for protecting, encasing, reinforcing, relocation, replacing, removing and abandoning in place all non-railroad owned facilities (the "Non Railroad Facilities") affected by the Project including, without limitation, utilities, fiber optics, pipelines, wirelines, communication lines and fences is required under Section 8. The Non Railroad Facilities plans and specifications shall comply with Railroad's standard specifications and requirements, including, without limitation, American Railway Engineering and Maintenance-of-Way Association ("AREMA") standards and guidelines. Railroad has no obligation to supply additional land for any Non Railroad Facilities and does not waive its right to assert preemption defenses, challenge the right-to-take, or pursue compensation in any condemnation action, regardless if the submitted Non Railroad Facilities plans and specifications comply with Railroad's standard specifications and requirements. Railroad has no obligation to permit any Non Railroad Facilities to be abandoned in place or relocated on Railroad's property.
- B. Upon Railroad's approval of submitted Non Railroad Facilities plans and specifications, Railroad will attempt to incorporate them into new agreements or supplements of existing agreements with Non Railroad Facilities owners or operators. Railroad may use its standard terms and conditions, including, without limitation, its standard license fee and administrative charges when requiring supplements or new agreements for Non Railroad Facilities. Non Railroad Facilities work shall not commence before a supplement or new agreement has been fully executed by Railroad and the Non Railroad Facilities owner or operator, or before Railroad and City mutually agree in writing to:
 - i. deem the approved Non Railroad Facilities plans and specifications to be Plans pursuant to Section 8B,
 - ii. deem the Non Railroad Facilities part of the Structure, and

iii. supplement this Agreement with terms and conditions covering the Non Railroad Facilities.

iv.

ARTICLE 11. EFFECTIVE DATE; TERM; TERMINATION

A. This Agreement is effective as of the Effective Date first herein written and shall continue in full force and effect for as long as the Roadway remains on the Railroad's property.

B. The Railroad, if it so elects, may terminate this Agreement effective upon delivery of written notice to the City in the event the City does not commence construction on the portion of the Project located on the Railroad's property within twelve (12) months from the Effective Date.

C. If the Agreement is terminated as provided above, or for any other reason, the City shall pay to the Railroad all actual costs incurred by the Railroad in connection with the Project up to the date of termination, including, without limitation, all actual costs incurred by the Railroad in connection with reviewing any preliminary or final Project Plans.

ARTICLE 12. CONDITIONS TO BE MET BEFORE CITY CAN COMMENCE WORK

Neither the City nor the Contractor may commence any work within the Crossing Area or on any other Railroad property until:

i. The Railroad and City have executed this Agreement.

ii. The Railroad has provided to the City the Railroad's written approval of the Plans.

iii. Each Contractor has executed Railroad's Contractor's Right of Entry Agreement and has obtained and/or provided to the Railroad the insurance policies, certificates, binders, and/or endorsements required under the Contractor's Right of Entry Agreement.

iv. Each Contractor has given the advance notice(s) required under the Contractor's Right of Entry Agreement to the Railroad Representative named in the Contractor's Right of Entry Agreement.

ARTICLE 13. FUTURE PROJECTS

Future projects involving substantial maintenance, repair, reconstruction, renewal and/or demolition of the Roadway shall not commence until Railroad and City agree on the plans for such future projects, cost allocations, right of entry terms and conditions and temporary construction rights, terms and conditions.

ARTICLE 14. ASSIGNMENT; SUCCESSORS AND ASSIGNS

A. City shall not assign this Agreement without the prior written consent of Railroad.

B. Subject to the provisions of Paragraph A above, this Agreement shall inure to the benefit of and be binding upon the successors and assigns of Railroad and City.

ARTICLE 15. SIGNAL MAINTENANCE

The State and the Railroad agree to split equally the cost of maintenance of the automatic grade-crossing protection as provided for in California Public Utilities Code Section 1202.2 and as allocated by the Public Utilities Commission.

ARTICLE 16. SPECIAL PROVISIONS PERTAINING TO AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009

If the City will be receiving American Recovery and Reinvestment Act ("ARRA") funding for the Project, the City agrees that it is responsible in performing and completing all ARRA reporting documents for the Project. The City confirms and acknowledges that Section 1512 of the ARRA provisions applies only to a "recipient" receiving ARRA funding directing from the federal government and, therefore,

- (i) the ARRA reporting requirements are the responsibility of the City and not of the Railroad, and
- (ii) the City shall not delegate any ARRA reporting responsibilities to the Railroad.

The City also confirms and acknowledges that

- (i) the Railroad shall provide to the City the Railroad's standard and customary billing for expenses incurred by the Railroad for the Project including the Railroad's standard and customary documentation to support such billing, and
- (ii) such standard and customary billing and documentation from the Railroad provides the information needed by the City to perform and complete the ARRA reporting documents.

The Railroad confirms that the City and the Federal Highway Administration shall have the right to audit the Railroad's billing and documentation for the Project as provided in Section 11 of **Exhibit B** of this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of the Effective Date first herein written.

UNION PACIFIC RAILROAD COMPANY
(Federal Tax ID #94-6001323)

By: _____
DANIEL A. LEIS
General Director – Real Estate

ATTEST:

CITY OF TRACY

By _____

By _____

Printed Name: _____

Title: _____

(SEAL)

Pursuant to Resolution/Order No. _____
dated: _____, 20____
hereto attached.

EXHIBIT A

To Public Highway At-Grade Crossing
Agreement

Cover Sheet for the
Railroad Location Print

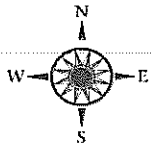
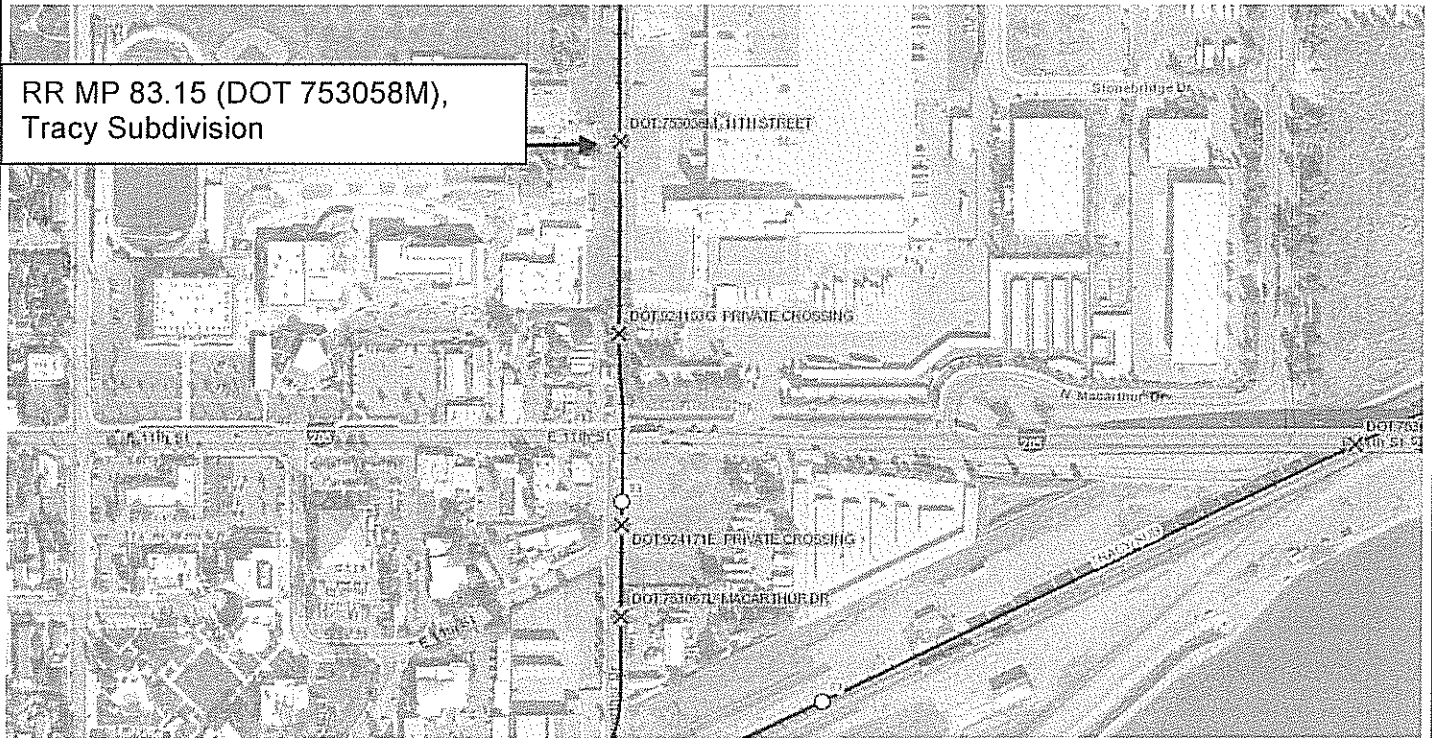


EXHIBIT "A"
RAILROAD LOCATION PRINT
ACCOMPANYING A
CROSSING IMPROVEMENT/CONTRACTOR'S
RIGHT OF ENTRY AGREEMENT

RR MP 83.15 (DOT 753058M),
Tracy Subdivision



UNION PACIFIC RAILROAD COMPANY

TRACY SUBDIVISION
RAILROAD MILE POST 83.15
TRACY, SAN JOAQUIN COUNTY, CA

To accompany a Supplemental Agreement for the
CITY OF TRACY and its CONTRACTORS

UPRR Folder No.2204-86 Date: June 24, 2014

WARNING

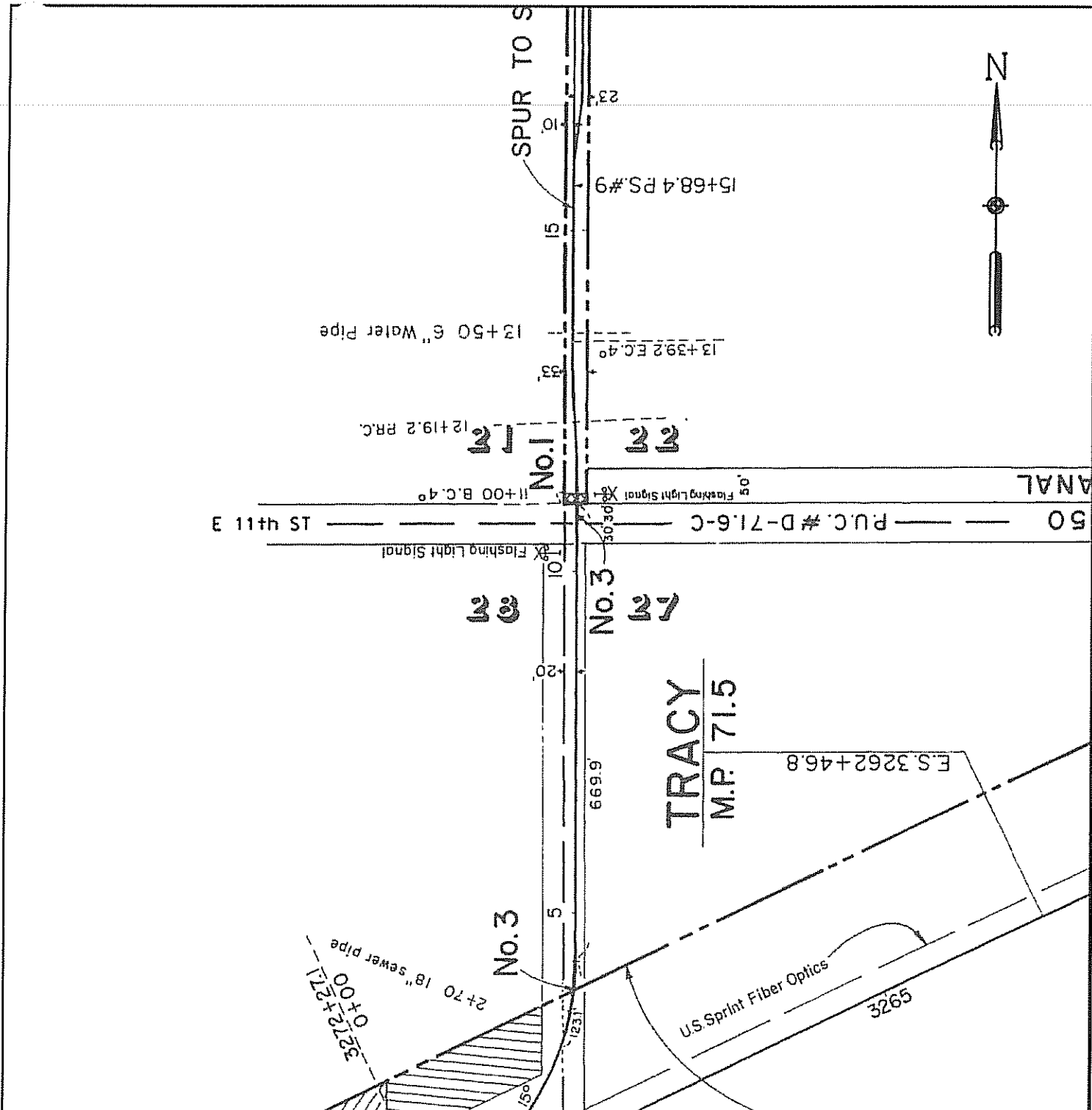
IN ALL OCCASIONS, U.P. COMMUNICATIONS DEPARTMENT MUST BE CONTACTED IN ADVANCE OF ANY WORK TO DETERMINE EXISTENCE AND LOCATION OF FIBER OPTIC CABLE.

PHONE: 1-(800) 336-9193

EXHIBIT A-1

To Public Highway At-Grade Crossing
Agreement

Cover Sheet for the
Survey Print & Legal Description



SCALE: 1" = 200'

LEGEND:

UPRRCO. R/W SHOWN

EASEMENT AREA SHOWN

NOTE: BEFORE YOU BEGIN ANY WORK, SEE AGREEMENT FOR FIBER OPTIC PROVISIONS.

EXHIBIT "A"

UNION PACIFIC RAILROAD COMPANY

TO ACCOMPANY AGREEMENT WITH
CITY OF TRACY
TRACY, SAN JOAQUIN COUNTY, CA
M.P. 83.1 TRACY SUB.

SP CA V 109 / 1A
OFFICE OF REAL ESTATE, OMAHA, NEBRASKA
FILE: 2204-86 DATE: 5-7-2014

EXHIBIT "A"
ROADWAY EASEMENT
APN 250-010-11

THAT CERTAIN REAL PROPERTY SITUATED IN THE CITY OF TRACY,
COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA, DESCRIBED AS
FOLLOWS:

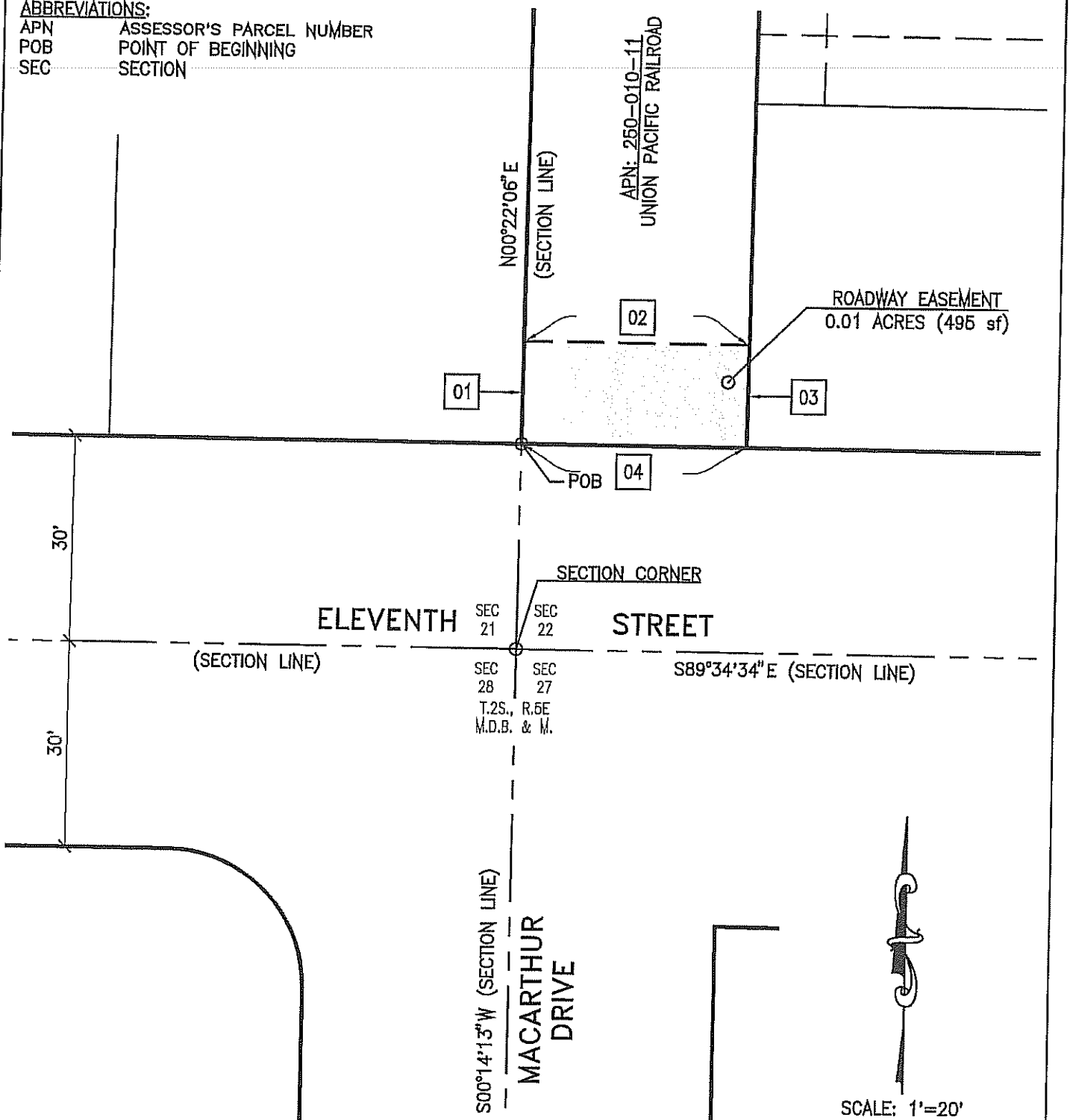
A PORTION OF THE SOUTHWEST QUARTER OF SECTION 22, TOWNSHIP 2
SOUTH, RANGE 5 EAST, MOUNT DIABLO BASE AND MERIDIAN, AND MORE
PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTH LINE OF ELEVENTH STREET, SAID
POINT BEING ON THE WEST LINE OF AND 30 FEET NORTH OF THE
SOUTHWEST CORNER OF SECTION 22; THENCE NORTH 00 DEGREES 22
MINUTES 06 SECONDS EAST, ALONG THE WEST LINE OF SAID SECTION 22,
15.00 FEET TO A POINT; THENCE SOUTH 89 DEGREES 34 MINUTES 34
SECONDS EAST, PARALLEL WITH THE NORTH LINE OF SAID ELEVENTH
STREET, 33.00 FEET TO A POINT ON THE EAST LINE OF THE UNION PACIFIC
RAILROAD (FORMALLY SOUTHERN PACIFIC RAILROAD); THENCE SOUTH 00
DEGREES 22 MINUTES 06 SECONDS WEST, ALONG SAID EAST LINE OF THE
UNION PACIFIC RAILROAD AND PARALLEL WITH THE WEST LINE OF SAID
SECTION 22, 15.00 FEET TO A POINT ON THE NORTH LINE OF SAID
ELEVENTH STREET; THENCE NORTH 89 DEGREES 34 MINUTES 34 SECONDS
WEST, ALONG THE NORTH LINE OF SAID ELEVENTH STREET, 33.00 FEET TO
THE POINT OF BEGINNING.

CONTAINING 495 SQUARE FEET, MORE OR LESS.

ABBREVIATIONS:

APN ASSESSOR'S PARCEL NUMBER
 POB POINT OF BEGINNING
 SEC SECTION



LINE TABLE

SYM	COURSE	LENGTH	SYM	COURSE	LENGTH
01	N00°22'06" E	15.00'	03	S00°22'06" W	15.00'
02	S89°34'34" E	33.00'	04	N89°34'34" W	33.00'

JOB NO: 10.030
 DATE: 04/25/14

EXHIBIT B

To Public Highway At-Grade Crossing
Agreement

Cover Sheet for the
General Terms and Conditions

EXHIBIT B

TO PUBLIC HIGHWAY AT GRADE CROSSING AGREEMENT

GENERAL TERMS AND CONDITIONS

SECTION 1. CONDITIONS AND COVENANTS

- A. The Railroad makes no covenant or warranty of title for quiet possession or against encumbrances. The City shall not use or permit use of the Crossing Area for any purposes other than those described in this Agreement. Without limiting the foregoing, the City shall not use or permit use of the Crossing Area for railroad purposes, or for gas, oil or gasoline pipe lines. Any lines constructed on the Railroad's property by or under authority of the City for the purpose of conveying electric power or communications incidental to the City's use of the property for highway purposes shall be constructed in accordance with specifications and requirements of the Railroad, and in such manner as not adversely to affect communication or signal lines of the Railroad or its licensees now or hereafter located upon said property. No nonparty shall be admitted by the City to use or occupy any part of the Railroad's property without the Railroad's written consent. Nothing herein shall obligate the Railroad to give such consent.
- B. The Railroad reserves the right to cross the Crossing Area with such railroad tracks as may be required for its convenience or purposes. In the event the Railroad shall place additional tracks upon the Crossing Area, the City shall, at its sole cost and expense, modify the Roadway to conform with all tracks within the Crossing Area.
- C. The right hereby granted is subject to any existing encumbrances and rights (whether public or private), recorded or unrecorded, and also to any renewals thereof. The City shall not damage, destroy or interfere with the property or rights of nonparties in, upon or relating to the Railroad's property, unless the City at its own expense settles with and obtains releases from such nonparties.
- D. The Railroad reserves the right to use and to grant to others the right to use the Crossing Area for any purpose not inconsistent with the right hereby granted, including, but not by way of limitation, the right to construct, reconstruct, maintain, operate, repair, alter, renew and replace tracks, facilities and appurtenances on the property; and the right to cross the Crossing Area with all kinds of equipment.
- E. So far as it lawfully may do so, the City will assume, bear and pay all taxes and assessments of whatsoever nature or kind (whether general, local or special) levied or assessed upon or against the Crossing Area, excepting taxes levied upon and against the property as a component part of the Railroad's operating property.
- F. If any property or rights other than the right hereby granted are necessary for the construction, maintenance and use of the Roadway and its appurtenances, or for the performance of any work in connection with the Project, the City will acquire all such other property and rights at its own expense and without expense to the Railroad.

SECTION 2. CONSTRUCTION OF ROADWAY

- A. The City, at its expense, will apply for and obtain all public authority required by law, ordinance, rule or regulation for the Project, and will furnish the Railroad upon request with satisfactory evidence that such authority has been obtained.
- B. Except as may be otherwise specifically provided herein, the City, at its expense, will furnish all necessary labor, material and equipment, and shall construct and complete the Roadway and all appurtenances thereof. The appurtenances shall include, without limitation, all necessary and proper highway warning devices (except those installed by the Railroad within its right of way) and all necessary drainage facilities, guard rails or barriers, and right of way fences between the Roadway and the railroad tracks. Upon completion of the Project, the City shall remove from the Railroad's property all temporary structures and false work, and will leave the Crossing Area in a condition satisfactory to the Railroad.
- C. All construction work of the City upon the Railroad's property (including, but not limited to, construction of the Roadway and all appurtenances and all related and incidental work) shall be performed and completed in a manner satisfactory to the Assistant Vice President Engineering-Design of the Railroad or his authorized representative and in compliance with the Plans, and other guidelines furnished by the Railroad.

D. All construction work of the City shall be performed diligently and completed within a reasonable time. No part of the Project shall be suspended, discontinued or unduly delayed without the Railroad's written consent, and subject to such reasonable conditions as the Railroad may specify. It is understood that the Railroad's tracks at and in the vicinity of the work will be in constant or frequent use during progress of the work and that movement or stoppage of trains, engines or cars may cause delays in the work of the City. The City hereby assumes the risk of any such delays and agrees that no claims for damages on account of any delay shall be made against the Railroad by the State and/or the Contractor.

SECTION 3. INJURY AND DAMAGE TO PROPERTY

If the City, in the performance of any work contemplated by this Agreement or by the failure to do or perform anything for which the City is responsible under the provisions of this Agreement, shall injure, damage or destroy any property of the Railroad or of any other person lawfully occupying or using the property of the Railroad, such property shall be replaced or repaired by the City at the City's own expense, or by the Railroad at the expense of the City, and to the satisfaction of the Railroad's Assistant Vice President Engineering-Design.

SECTION 4. RAILROAD MAY USE CONTRACTORS TO PERFORM WORK

The Railroad may contract for the performance of any of its work by other than the Railroad forces. The Railroad shall notify the City of the contract price within ninety (90) days after it is awarded. Unless the Railroad's work is to be performed on a fixed price basis, the City shall reimburse the Railroad for the amount of the contract.

SECTION 5. MAINTENANCE AND REPAIRS

- A. The City shall, at its own sole expense, maintain, repair, and renew, or cause to be maintained, repaired and renewed, the entire Crossing Area and Roadway, except the portions between the track tie ends, which shall be maintained by and at the expense of the Railroad.
- B. If, in the future, the City elects to have the surfacing material between the track tie ends, or between tracks if there is more than one railroad track across the Crossing Area, replaced with paving or some surfacing material other than timber planking, the Railroad, at the City's expense, shall install such replacement surfacing, and in the future, to the extent repair or replacement of the surfacing is necessitated by repair or rehabilitation of the Railroad's tracks through the Crossing Area, the City shall bear the expense of such repairs or replacement.

SECTION 6. CHANGES IN GRADE

If at any time the Railroad shall elect, or be required by competent authority to, raise or lower the grade of all or any portion of the track(s) located within the Crossing Area, the City shall, at its own expense, conform the Roadway to conform with the change of grade of the trackage.

SECTION 7. REARRANGEMENT OF WARNING DEVICES

If the change or rearrangement of any warning device installed hereunder is necessitated for public or Railroad convenience or on account of improvements for either the Railroad, highway or both, the parties will apportion the expense incidental thereto between themselves by negotiation, agreement or by the order of a competent authority before the change or rearrangement is undertaken.

SECTION 8. SAFETY MEASURES; PROTECTION OF RAILROAD COMPANY OPERATIONS

It is understood and recognized that safety and continuity of the Railroad's operations and communications are of the utmost importance; and in order that the same may be adequately safeguarded, protected and assured, and in order that accidents may be prevented and avoided, it is agreed with respect to all of said work of the City that the work will be performed in a safe manner and in conformity with the following standards:

- A. **Definitions.** All references in this Agreement to the City shall also include the Contractor and their respective officers, agents and employees, and others acting under its or their authority; and all references in this Agreement to work of the City shall include work both within and outside of the Railroad's property.

B. **Entry on to Railroad's Property by City**— If the City's employees need to enter Railroad's property in order to perform an inspection of the Roadway, minor maintenance or other activities, the City shall first provide at least ten (10) working days advance notice to the Railroad Representative. With respect to such entry on to Railroad's property, the City, to the extent permitted by law, agrees to release, defend and indemnify the Railroad from and against any loss, damage, injury, liability, claim, cost or expense incurred by any person including, without limitation, the City's employees, or damage to any property or equipment (collectively the "Loss") that arises from the presence or activities of City's employees on Railroad's property, except to the extent that any Loss is caused by the sole direct negligence of Railroad.

C. **Flagging**.

- i. If the City's employees need to enter Railroad's property as provided in Paragraph B above, the City agrees to notify the Railroad Representative at least thirty (30) working days in advance of proposed performance of any work by City in which any person or equipment will be within twenty-five (25) feet of any track, or will be near enough to any track that any equipment extension (such as, but not limited to, a crane boom) will reach to within twenty-five (25) feet of any track. No work of any kind shall be performed, and no person, equipment, machinery, tool(s), material(s), vehicle(s), or thing(s) shall be located, operated, placed, or stored within twenty-five (25) feet of any of Railroad's track(s) at any time, for any reason, unless and until a Railroad flagman is provided to watch for trains. Upon receipt of such thirty (30) day notice, the Railroad Representative will determine and inform City whether a flagman need be present and whether City needs to implement any special protective or safety measures. If flagging or other special protective or safety measures are performed by Railroad, Railroad will bill City for such expenses incurred by Railroad. If Railroad performs any flagging, or other special protective or safety measures are performed by Railroad, City agrees that City is not relieved of any of its responsibilities or liabilities set forth in this Agreement.
 - ii. The rate of pay per hour for each flagman will be the prevailing hourly rate in effect for an eight-hour day for the class of flagmen used during regularly assigned hours and overtime in accordance with Labor Agreements and Schedules in effect at the time the work is performed. In addition to the cost of such labor, a composite charge for vacation, holiday, health and welfare, supplemental sickness, Railroad Retirement and unemployment compensation, supplemental pension, Employees Liability and Property Damage and Administration will be included, computed on actual payroll. The composite charge will be the prevailing composite charge in effect at the time the work is performed. One and one-half times the current hourly rate is paid for overtime, Saturdays and Sundays, and two and one-half times current hourly rate for holidays. Wage rates are subject to change, at any time, by law or by agreement between Railroad and its employees, and may be retroactive as a result of negotiations or a ruling of an authorized governmental agency. Additional charges on labor are also subject to change. If the wage rate or additional charges are changed, City shall pay on the basis of the new rates and charges.
 - iii. Reimbursement to Railroad will be required covering the full eight-hour day during which any flagman is furnished, unless the flagman can be assigned to other Railroad work during a portion of such day, in which event reimbursement will not be required for the portion of the day during which the flagman is engaged in other Railroad work. Reimbursement will also be required for any day not actually worked by the flagman following the flagman's assignment to work on the project for which Railroad is required to pay the flagman and which could not reasonably be avoided by Railroad by assignment of such flagman to other work, even though City may not be working during such time. When it becomes necessary for Railroad to bulletin and assign an employee to a flagging position in compliance with union collective bargaining agreements, City must provide Railroad a minimum of five (5) days notice prior to the cessation of the need for a flagman. If five (5) days notice of cessation is not given, City will still be required to pay flagging charges for the five (5) day notice period required by union agreement to be given to the employee, even though flagging is not required for that period. An additional thirty (30) days notice must then be given to Railroad if flagging services are needed again after such five day cessation notice has been given to Railroad.
- D. **Compliance With Laws**. The City shall comply with all applicable federal, state and local laws, regulations and enactments affecting the work. The City shall use only such methods as are consistent with safety, both as concerns the City, the City's agents and employees, the officers, agents, employees and property of the Railroad and the public in general. The City (without limiting the generality of the foregoing) shall comply with all applicable state and federal occupational safety and health acts and regulations. All Federal Railroad Administration regulations shall be followed when work is performed on the Railroad's premises. If any failure by the City to comply with any such laws, regulations, and enactments, shall result in any fine, penalty, cost or charge being assessed, imposed or charged against the Railroad, the City shall reimburse, and to the extent it may lawfully do so, indemnify the Railroad for any such fine, penalty, cost, or charge, including without limitation attorney's fees, court costs and expenses. The City further agrees in the event of any such action, upon notice thereof being provided by the Railroad, to defend such action free of cost, charge, or expense to the Railroad.

- E. **No Interference or Delays.** The City shall not do, suffer or permit anything which will or may obstruct, endanger, interfere with, hinder or delay maintenance or operation of the Railroad's tracks or facilities, or any communication or signal lines, installations or any appurtenances thereof, or the operations of others lawfully occupying or using the Railroad's property or facilities.
- F. **Supervision.** The City, at its own expense, shall adequately police and supervise all work to be performed by the City, and shall not inflict injury to persons or damage to property for the safety of whom or of which the Railroad may be responsible, or to property of the Railroad. The responsibility of the City for safe conduct and adequate policing and supervision of the Project shall not be lessened or otherwise affected by the Railroad's approval of plans and specifications, or by the Railroad's collaboration in performance of any work, or by the presence at the work site of the Railroad's representatives, or by compliance by the City with any requests or recommendations made by such representatives. If a representative of the Railroad is assigned to the Project, the City will give due consideration to suggestions and recommendations made by such representative for the safety and protection of the Railroad's property and operations.
- G. **Suspension of Work.** If at any time the City's engineers or the Vice President-Engineering Services of the Railroad or their respective representatives shall be of the opinion that any work of the City is being or is about to be done or prosecuted without due regard and precaution for safety and security, the City shall immediately suspend the work until suitable, adequate and proper protective measures are adopted and provided.
- H. **Removal of Debris.** The City shall not cause, suffer or permit material or debris to be deposited or cast upon, or to slide or fall upon any property or facilities of the Railroad; and any such material and debris shall be promptly removed from the Railroad's property by the City at the City's own expense or by the Railroad at the expense of the City. The City shall not cause, suffer or permit any snow to be plowed or cast upon the Railroad's property during snow removal from the Crossing Area.
- I. **Explosives.** The City shall not discharge any explosives on or in the vicinity of the Railroad's property without the prior consent of the Railroad's Vice President-Engineering Services, which shall not be given if, in the sole discretion of the Railroad's Vice President-Engineering Services, such discharge would be dangerous or would interfere with the Railroad's property or facilities. For the purposes hereof, the "vicinity of the Railroad's property" shall be deemed to be any place on the Railroad's property or in such close proximity to the Railroad's property that the discharge of explosives could cause injury to the Railroad's employees or other persons, or cause damage to or interference with the facilities or operations on the Railroad's property. The Railroad reserves the right to impose such conditions, restrictions or limitations on the transportation, handling, storage, security and use of explosives as the Railroad, in the Railroad's sole discretion, may deem to be necessary, desirable or appropriate.
- J. **Excavation.** The City shall not excavate from existing slopes nor construct new slopes which are excessive and may create hazards of slides or falling rock, or impair or endanger the clearance between existing or new slopes and the tracks of the Railroad. The City shall not do or cause to be done any work which will or may disturb the stability of any area or adversely affect the Railroad's tracks or facilities. The City, at its own expense, shall install and maintain adequate shoring and cribbing for all excavation and/or trenching performed by the City in connection with construction, maintenance or other work. The shoring and cribbing shall be constructed and maintained with materials and in a manner approved by the Railroad's Assistant Vice President Engineering - Design to withstand all stresses likely to be encountered, including any stresses resulting from vibrations caused by the Railroad's operations in the vicinity.
- K. **Drainage.** The City, at the City's own expense, shall provide and maintain suitable facilities for draining the Roadway and its appurtenances, and shall not suffer or permit drainage water therefrom to flow or collect upon property of the Railroad. The City, at the City's own expense, shall provide adequate passageway for the waters of any streams, bodies of water and drainage facilities (either natural or artificial, and including water from the Railroad's culvert and drainage facilities), so that said waters may not, because of any facilities or work of the City, be impeded, obstructed, diverted or caused to back up, overflow or damage the property of the Railroad or any part thereof, or property of others. The City shall not obstruct or interfere with existing ditches or drainage facilities.
- L. **Notice.** Before commencing any work, the City shall provide the advance notice to the Railroad that is required under the Contractor's Right of Entry Agreement.
- M. **Fiber Optic Cables.** Fiber optic cable systems may be buried on the Railroad's property. Protection of the fiber optic cable systems is of extreme importance since any break could disrupt service to users resulting in business interruption

and loss of revenue and profits. City shall telephone the Railroad during normal business hours (7:00 a.m. to 9:00 p.m. Central Time, Monday through Friday, except holidays) at 1-800-336-9193 (also a 24-hour, 7-day number for emergency calls) to determine if fiber optic cable is buried anywhere on the Railroad's premises to be used by the City. If it is, City will telephone the telecommunications company(ies) involved, arrange for a cable locator, and make arrangements for relocation or other protection of the fiber optic cable prior to beginning any work on the Railroad's premises.

SECTION 9. INTERIM WARNING DEVICES

If at anytime it is determined by a competent authority, by the City, or by agreement between the parties, that new or improved train activated warning devices should be installed at the Crossing Area, the City shall install adequate temporary warning devices or signs and impose appropriate vehicular control measures to protect the motoring public until the new or improved devices have been installed.

SECTION 10. OTHER RAILROADS

All protective and indemnifying provisions of this Agreement shall inure to the benefit of the Railroad and any other railroad company lawfully using the Railroad's property or facilities.

SECTION 11. BOOKS AND RECORDS

The books, papers, records and accounts of Railroad, so far as they relate to the items of expense for the materials to be provided by Railroad under this Project, or are associated with the work to be performed by Railroad under this Project, shall be open to inspection and audit at Railroad's offices in Omaha, Nebraska, during normal business hours by the agents and authorized representatives of City for a period of three (3) years following the date of Railroad's last billing sent to City.

SECTION 12. REMEDIES FOR BREACH OR NONUSE

- A. If the City shall fail, refuse or neglect to perform and abide by the terms of this Agreement, the Railroad, in addition to any other rights and remedies, may perform any work which in the judgment of the Railroad is necessary to place the Roadway and appurtenances in such condition as will not menace, endanger or interfere with the Railroad's facilities or operations or jeopardize the Railroad's employees; and the City will reimburse the Railroad for the expenses thereof.
- B. Nonuse by the City of the Crossing Area for public highway purposes continuing at any time for a period of eighteen (18) months shall, at the option of the Railroad, work a termination of this Agreement and of all rights of the City hereunder.
- C. The City will surrender peaceable possession of the Crossing Area and Roadway upon termination of this Agreement. Termination of this Agreement shall not affect any rights, obligations or liabilities of the parties, accrued or otherwise, which may have arisen prior to termination.

SECTION 13. MODIFICATION - ENTIRE AGREEMENT

No waiver, modification or amendment of this Agreement shall be of any force or effect unless made in writing, signed by the City and the Railroad and specifying with particularity the nature and extent of such waiver, modification or amendment. Any waiver by the Railroad of any default by the City shall not affect or impair any right arising from any subsequent default. This Agreement and Exhibits attached hereto and made a part hereof constitute the entire understanding between the City and the Railroad and cancel and supersede any prior negotiations, understandings or agreements, whether written or oral, with respect to the work or any part thereof.

EXHIBIT C

To Public Highway At-Grade Crossing
Agreement

Cover Sheet for the
Railroad's Material & Force Account Estimate

Track & surface

DATE: 2014-02-27

ESTIMATE OF MATERIAL AND FORCE ACCOUNT WORK
BY THE
UNION PACIFIC RAILROAD

THIS ESTIMATE GOOD FOR 6 MONTHS EXPIRATION DATE IS :2014-08-28

DESCRIPTION OF WORK:
2013 RECOLLECTIBLE PROGRAM
TRACY SUBDIVISION
MP 83.15 DOT # 753058M
INSTALL 144 TF OF CROSSING SURFACE INCLUDING TIES, RAIL, OTM
PROJECT TO BE FUNDED 100% BY CITY OF TRACY

PID: 77443 AWO: 13606 MP, SUBDIV: 82.22, TRACY
SERVICE UNIT: 19 CITY: WEST LATHROP STATE: CA

DESCRIPTION	QTY	UNIT	LABOR	MATERIAL	RECOLL	UPRR	TOTAL
ENGINEERING WORK							
ENGINEERING			7756		7756		7756
LABOR ADDITIVE 211%			16365		16365		16365
TOTAL ENGINEERING			24121		24121		24121
SIGNAL WORK							
LABOR ADDITIVE 211%			1596		1596		1596
SIGNAL			756	5	761		761
TOTAL SIGNAL			2352	5	2357		2357
TRACK & SURFACE WORK							
BALAST	2.00	CL	2	1831	1833		1833
BILL PREP FEE				900	900		900
ENVIRONMENTAL - PERMITS				10	10		10
FOREIGN LINE FREIGHT				1993	1993		1993
HOMELINE FREIGHT				900	900		900
LABOR ADDITIVE 211%			59637		59637		59637
MATL STORE EXPENSE				778	778		778
OTM			1951	9216	11167		11167
RAIL	320.00	LF	2629	6556	9185		9185
RDXING	144.00	TF	12962	33394	46356		46356
SALES TAX				2308	2308		2308
STREET APPROACH WORK				7000	7000		7000
SWTIE	101.00	EA	21861	6008	27869		27869
TRAFFIC CONTROL				30000	30000		30000
TRK-SURF, LIN			2874		2874		2874
WELD			903	748	1651		1651
XTIE		EA	197		197		197
TOTAL TRACK & SURFACE			103016	101642	204658		204658
LABOR/MATERIAL EXPENSE			129489	101647			
RECOLLECTIBLE/UPRR EXPENSE					231136		
ESTIMATED PROJECT COST							231136
EXISTING REUSEABLE MATERIAL CREDIT					0		
SALVAGE NONUSEABLE MATERIAL CREDIT					0		
RECOLLECTIBLE LESS CREDITS							

THE ABOVE FIGURES ARE ESTIMATES ONLY AND SUBJECT TO FLUCTUATION. IN THE EVENT OF AN INCREASE OR DECREASE IN THE COST OR QUANTITY OF MATERIAL OR LABOR REQUIRED, UPRR WILL BILL FOR ACTUAL CONSTRUCTION COSTS AT THE CURRENT EFFECTIVE RATE.

EXHIBIT D

To Public Highway At-Grade Crossing
Agreement

Cover Sheet for the
Contractor's Right of Entry Agreement

Folder No.: 2204-86

UPRR Audit No.:

CONTRACTOR'S RIGHT OF ENTRY AGREEMENT

THIS AGREEMENT is made and entered into as of the _____ day of _____, 2014, by and between **UNION PACIFIC RAILROAD COMPANY**, a Delaware corporation ("Railroad"); and

_____ (*Name of Contractor*)

a _____ corporation ("Contractor").

RECITALS:

Contractor has been hired by the City of Tracy ("City's ") to widen and resurface the existing 11th Street at-grade public road crossing with all or a portion of such work to be performed on property of Railroad in the vicinity of the Railroad's Mile Post 83.155 (DOT 753058M) on its Tracy Subdivision in or near Tracy, San Joaquin County, California, as such location is in the general location shown on the Railroad Location Print marked **Exhibit A** attached hereto and hereby made a part hereof, which work is the subject of a contract dated _____, 2014, between the Railroad and City.

The Railroad is willing to permit the Contractor to perform the work described above at the location described above subject to the terms and conditions contained in this Agreement

AGREEMENT:

NOW, THEREFORE, it is mutually agreed by and between Railroad and Contractor, as follows:

ARTICLE 1 - DEFINITION OF CONTRACTOR.

For purposes of this Agreement, all references in this agreement to Contractor shall include Contractor's contractors, subcontractors, officers, agents and employees, and others acting under its or their authority.

ARTICLE 2 - RIGHT GRANTED; PURPOSE.

Railroad hereby grants to Contractor the right, during the term hereinafter stated and upon and subject to each and all of the terms, provisions and conditions herein contained, to enter upon and have ingress to and egress from the property described in the Recitals for the purpose of performing the work described in the Recitals above. The right herein granted to Contractor is limited to those portions of Railroad's property specifically described herein, or as designated by the Railroad Representative named in Article 4.

ARTICLE 3 - TERMS AND CONDITIONS CONTAINED IN EXHIBITS B, C & D.

The General Terms and Conditions contained in **Exhibit B**, the Insurance Requirements contained in **Exhibit C**, and the Minimum Safety Requirements contained in **Exhibit D**, each attached hereto, are hereby made a part of this Agreement.

ARTICLE 4 - ALL EXPENSES TO BE BORNE BY CONTRACTOR; RAILROAD REPRESENTATIVE.

- A. Contractor shall bear any and all costs and expenses associated with any work performed by Contractor, or any costs or expenses incurred by Railroad relating to this Agreement.
- B. Contractor shall coordinate all of its work with the following Railroad representative or his or her duly authorized representative (the "Railroad Representative"):

PEGGY J. YGBUHAY
MGR IND & PUBLIC PRO
9451 ATKINSON ST
ROSEVILLE, CA 95747
(916) 789-5152

- C. Contractor, at its own expense, shall adequately police and supervise all work to be performed by Contractor and shall ensure that such work is performed in a safe manner as set forth in Section 7 of **Exhibit B**. The responsibility of Contractor for safe conduct and adequate policing and supervision of Contractor's work shall not be lessened or otherwise affected by Railroad's approval of plans and specifications involving the work, or by Railroad's collaboration in performance of any work, or by the presence at the work site of a Railroad Representative, or by compliance by Contractor with any requests or recommendations made by Railroad Representative.

ARTICLE 5 - SCHEDULE OF WORK ON A MONTHLY BASIS.

The Contractor, at its expense, shall provide on a monthly basis a detailed schedule of work to the Railroad Representative named in Article 4B above. The reports shall start at the execution of this Agreement and continue until this Agreement is terminated as provided in this Agreement or until the Contractor has completed all work on Railroad's property.

ARTICLE 6 - TERM; TERMINATION.

- A. The grant of right herein made to Contractor shall commence on the date of this Agreement, and continue until _____, unless sooner terminated as herein
(Expiration Date)

provided, or at such time as Contractor has completed its work on Railroad's property, whichever is earlier. Contractor agrees to notify the Railroad Representative in writing when it has completed its work on Railroad's property.

- B. This Agreement may be terminated by either party on ten (10) days written notice to the other party.

ARTICLE 7 - CERTIFICATE OF INSURANCE.

- A. Before commencing any work, Contractor will provide Railroad with the (i) insurance binders, policies, certificates and endorsements set forth in **Exhibit C** of this Agreement, and (ii) the insurance endorsements obtained by each subcontractor as required under Section 12 of **Exhibit B** of this Agreement.

- B. All insurance correspondence, binders, policies, certificates and endorsements shall be sent to:

*Union Pacific Railroad Company
Real Estate Department
1400 Douglas Street, MS 1690
Omaha, NE 68179-1690
UPRR Folder No.: 2204-86*

ARTICLE 8 - DISMISSAL OF CONTRACTOR'S EMPLOYEE.

At the request of Railroad, Contractor shall remove from Railroad's property any employee of Contractor who fails to conform to the instructions of the Railroad Representative in connection with the work on Railroad's property, and any right of Contractor shall be suspended until such removal has occurred. Contractor shall indemnify Railroad against any claims arising from the removal of any such employee from Railroad's property.

ARTICLE 9 - CROSSINGS.

No additional vehicular crossings (including temporary haul roads) or pedestrian crossings over Railroad's trackage shall be installed or used by Contractor without the prior written permission of Railroad.

ARTICLE 10 - CROSSINGS; COMPLIANCE WITH MUTCD AND FRA GUIDELINES.

- A. No additional vehicular crossings (including temporary haul roads) or pedestrian crossings over Railroad's trackage shall be installed or used by Contractor without the prior written permission of Railroad.

- B. Any permanent or temporary changes, including temporary traffic control, to crossings must conform to the Manual of Uniform Traffic Control Devices (MUTCD) and any applicable Federal Railroad Administration rules, regulations and guidelines, and must be reviewed by the Railroad prior to any changes being implemented. In the event the Railroad is found to be out of compliance with federal safety regulations due to the Contractor's modifications, negligence, or any other reason arising from the Contractor's presence on the Railroad's property, the Contractor agrees to assume liability for any civil penalties imposed upon the Railroad for such

noncompliance.

ARTICLE 11 - EXPLOSIVES.

Explosives or other highly flammable substances shall not be stored or used on Railroad's property without the prior written approval of Railroad.

IN WITNESS WHEREOF, the parties hereto have duly executed this agreement in duplicate as of the date first herein written.

UNION PACIFIC RAILROAD COMPANY
(Federal Tax ID #94-6001323)

By: _____
DAVID C. LAPLANTE
Senior Manager-Contracts

(Name of Contractor)

By _____

Printed Name: _____

Title: _____

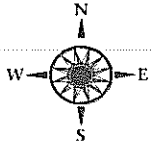
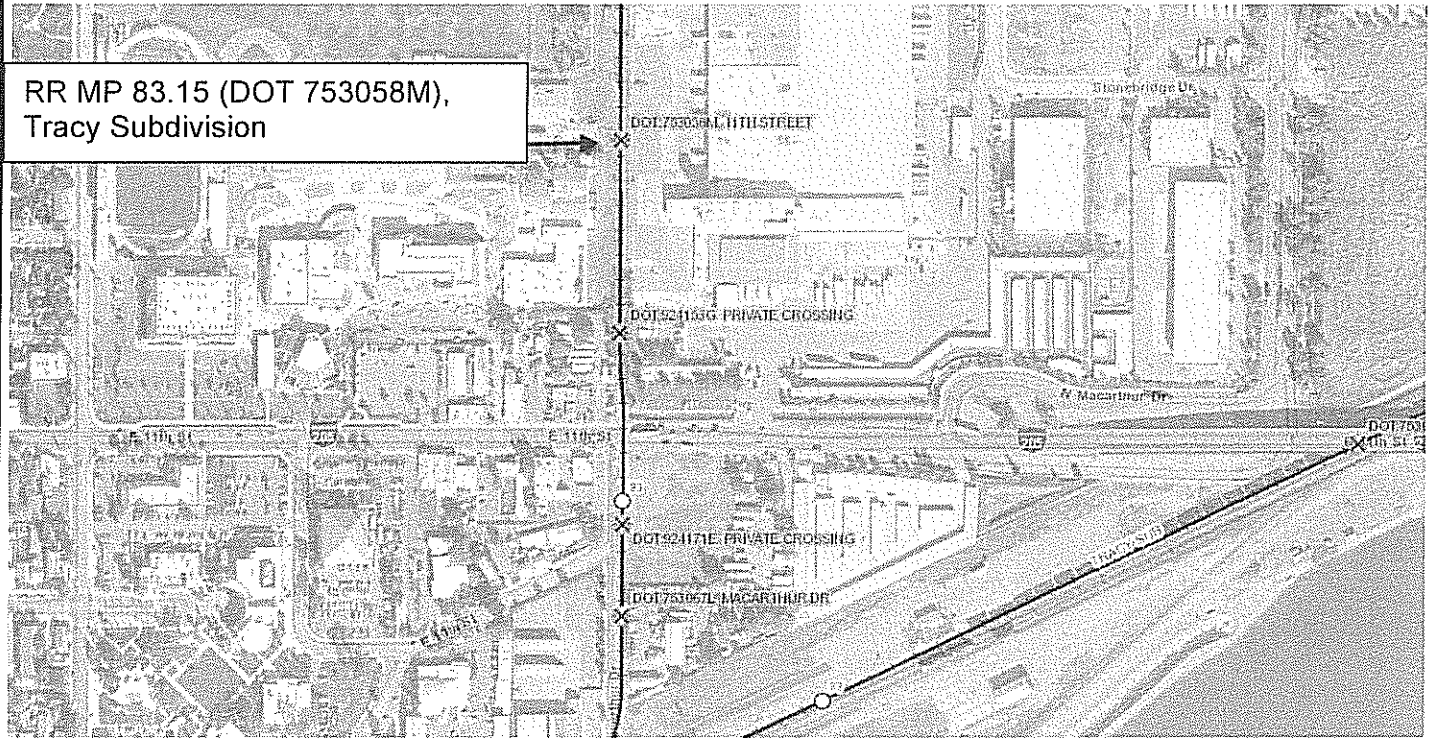


EXHIBIT "A"
RAILROAD LOCATION PRINT
ACCOMPANYING A
CROSSING IMPROVEMENT/CONTRACTOR'S
RIGHT OF ENTRY AGREEMENT



UNION PACIFIC RAILROAD COMPANY

TRACY SUBDIVISION
RAILROAD MILE POST 83.15
TRACY, SAN JOAQUIN COUNTY, CA

To accompany a Supplemental Agreement for the
CITY OF TRACY and its CONTRACTORS

UPRR Folder No.2204-86 Date: June 24, 2014

WARNING

IN ALL OCCASIONS, U.P. COMMUNICATIONS DEPARTMENT MUST BE CONTACTED IN ADVANCE OF ANY WORK TO DETERMINE EXISTENCE AND LOCATION OF FIBER OPTIC CABLE.

PHONE: 1-(800) 336-9193

EXHIBIT B

TO CONTRACTOR'S RIGHT OF ENTRY AGREEMENT

GENERAL TERMS & CONDITIONS

Section 1. NOTICE OF COMMENCEMENT OF WORK - FLAGGING.

- A. Contractor agrees to notify the Railroad Representative at least thirty (30) working days in advance of Contractor commencing its work and at least ten (10) working days in advance of proposed performance of any work by Contractor in which any person or equipment will be within twenty-five (25) feet of any track, or will be near enough to any track that any equipment extension (such as, but not limited to, a crane boom) will reach to within twenty-five (25) feet of any track. No work of any kind shall be performed, and no person, equipment, machinery, tool(s), material(s), vehicle(s), or thing(s) shall be located, operated, placed, or stored within twenty-five (25) feet of any of Railroad's track(s) at any time, for any reason, unless and until a Railroad flagman is provided to watch for trains. Upon receipt of such ten (10)-day notice, the Railroad Representative will determine and inform Contractor whether a flagman need be present and whether Contractor needs to implement any special protective or safety measures. If flagging or other special protective or safety measures are performed by Railroad, Railroad will bill Contractor for such expenses incurred by Railroad, unless Railroad and a federal, state or local governmental entity have agreed that Railroad is to bill such expenses to the federal, state or local governmental entity. If Railroad will be sending the bills to Contractor, Contractor shall pay such bills within thirty (30) days of Contractor's receipt of billing. If Railroad performs any flagging, or other special protective or safety measures are performed by Railroad, Contractor agrees that Contractor is not relieved of any of its responsibilities or liabilities set forth in this Agreement.
- B. The rate of pay per hour for each flagman will be the prevailing hourly rate in effect for an eight-hour day for the class of flagmen used during regularly assigned hours and overtime in accordance with Labor Agreements and Schedules in effect at the time the work is performed. In addition to the cost of such labor, a composite charge for vacation, holiday, health and welfare, supplemental sickness, Railroad Retirement and unemployment compensation, supplemental pension, Employees Liability and Property Damage and Administration will be included, computed on actual payroll. The composite charge will be the prevailing composite charge in effect at the time the work is performed. One and one-half times the current hourly rate is paid for overtime, Saturdays and Sundays, and two and one-half times current hourly rate for holidays. Wage rates are subject to change, at any time, by law or by agreement between Railroad and its employees, and may be retroactive as a result of negotiations or a ruling of an authorized governmental agency. Additional charges on labor are also subject to change. If the wage rate or additional charges are changed, Contractor (or the governmental entity, as applicable) shall pay on the basis of the new rates and charges.
- C. Reimbursement to Railroad will be required covering the full eight-hour day during which any flagman is furnished, unless the flagman can be assigned to other Railroad work during a portion of such day, in which event reimbursement will not be required for the portion of the day during which the flagman is engaged in other Railroad work. Reimbursement will also be required for any day not actually worked by the flagman following the flagman's assignment to work on the project for which Railroad is required to pay the flagman and which could not reasonably be avoided by Railroad by assignment of such flagman to other work, even though Contractor may not be working during such time. When it becomes necessary for Railroad to bulletin and assign an employee to a flagging position in compliance with union collective bargaining agreements, Contractor must provide Railroad a minimum of five (5) days notice prior to the cessation of the need for a flagman. If five (5) days notice of cessation is not given, Contractor will still be required to pay flagging charges for the five (5) day notice period required by union agreement to be given to the employee, even though flagging is not required for that period. An additional ten (10) days notice must then be given to Railroad if flagging services are needed again after such five day cessation notice has been given to Railroad.

Section 2. LIMITATION AND SUBORDINATION OF RIGHTS GRANTED

- A. The foregoing grant of right is subject and subordinate to the prior and continuing right and obligation of the Railroad to use and maintain its entire property including the right and power of Railroad to construct, maintain, repair, renew, use, operate, change, modify or relocate railroad tracks, roadways, signal, communication, fiber optics, or other wirelines, pipelines and other facilities upon, along or across any or all parts of its property, all or any of which may be freely done at any time or times by Railroad without liability to Contractor or to any other party for compensation or damages.

- B. The foregoing grant is also subject to all outstanding superior rights (including those in favor of licensees and lessees of Railroad's property, and others) and the right of Railroad to renew and extend the same, and is made without covenant of title or for quiet enjoyment.

Section 3. NO INTERFERENCE WITH OPERATIONS OF RAILROAD AND ITS TENANTS.

- A. Contractor shall conduct its operations so as not to interfere with the continuous and uninterrupted use and operation of the railroad tracks and property of Railroad, including without limitation, the operations of Railroad's lessees, licensees or others, unless specifically authorized in advance by the Railroad Representative. Nothing shall be done or permitted to be done by Contractor at any time that would in any manner impair the safety of such operations. When not in use, Contractor's machinery and materials shall be kept at least fifty (50) feet from the centerline of Railroad's nearest track, and there shall be no vehicular crossings of Railroads tracks except at existing open public crossings.
- B. Operations of Railroad and work performed by Railroad personnel and delays in the work to be performed by Contractor caused by such railroad operations and work are expected by Contractor, and Contractor agrees that Railroad shall have no liability to Contractor, or any other person or entity for any such delays. The Contractor shall coordinate its activities with those of Railroad and third parties so as to avoid interference with railroad operations. The safe operation of Railroad train movements and other activities by Railroad takes precedence over any work to be performed by Contractor.

Section 4. LIENS.

Contractor shall pay in full all persons who perform labor or provide materials for the work to be performed by Contractor. Contractor shall not create, permit or suffer any mechanic's or materialmen's liens of any kind or nature to be created or enforced against any property of Railroad for any such work performed. Contractor shall indemnify and hold harmless Railroad from and against any and all liens, claims, demands, costs or expenses of whatsoever nature in any way connected with or growing out of such work done, labor performed, or materials furnished. If Contractor fails to promptly cause any lien to be released of record, Railroad may, at its election, discharge the lien or claim of lien at Contractor's expense.

Section 5. PROTECTION OF FIBER OPTIC CABLE SYSTEMS.

- A. Fiber optic cable systems may be buried on Railroad's property. Protection of the fiber optic cable systems is of extreme importance since any break could disrupt service to users resulting in business interruption and loss of revenue and profits. Contractor shall telephone Railroad during normal business hours (7:00 a.m. to 9:00 p.m. Central Time, Monday through Friday, except holidays) at 1-800-336-9193 (also a 24-hour, 7-day number for emergency calls) to determine if fiber optic cable is buried anywhere on Railroad's property to be used by Contractor. If it is, Contractor will telephone the telecommunications company(ies) involved, make arrangements for a cable locator and, if applicable, for relocation or other protection of the fiber optic cable. Contractor shall not commence any work until all such protection or relocation (if applicable) has been accomplished.
- B. In addition to other indemnity provisions in this Agreement, Contractor shall indemnify, defend and hold Railroad harmless from and against all costs, liability and expense whatsoever (including, without limitation, attorneys' fees, court costs and expenses) arising out of any act or omission of Contractor, its agents and/or employees, that causes or contributes to (1) any damage to or destruction of any telecommunications system on Railroad's property, and/or (2) any injury to or death of any person employed by or on behalf of any telecommunications company, and/or its contractor, agents and/or employees, on Railroad's property. Contractor shall not have or seek recourse against Railroad for any claim or cause of action for alleged loss of profits or revenue or loss of service or other consequential damage to a telecommunication company using Railroad's property or a customer or user of services of the fiber optic cable on Railroad's property.

Section 6. PERMITS - COMPLIANCE WITH LAWS.

In the prosecution of the work covered by this Agreement, Contractor shall secure any and all necessary permits and shall comply with all applicable federal, state and local laws, regulations and enactments affecting the work including, without limitation, all applicable Federal Railroad Administration regulations.

Section 7. SAFETY.

- A. Safety of personnel, property, rail operations and the public is of paramount importance in the prosecution of the work performed by Contractor. Contractor shall be responsible for initiating, maintaining and supervising all safety, operations and programs in connection with the work. Contractor shall at a minimum comply with Railroad's safety standards listed in

Exhibit D, hereto attached, to ensure uniformity with the safety standards followed by Railroad's own forces. As a part of Contractor's safety responsibilities, Contractor shall notify Railroad if Contractor determines that any of Railroad's safety standards are contrary to good safety practices. Contractor shall furnish copies of **Exhibit D** to each of its employees before they enter the job site.

- B. Without limitation of the provisions of paragraph A above, Contractor shall keep the job site free from safety and health hazards and ensure that its employees are competent and adequately trained in all safety and health aspects of the job.
- C. Contractor shall have proper first aid supplies available on the job site so that prompt first aid services may be provided to any person injured on the job site. Contractor shall promptly notify Railroad of any U.S. Occupational Safety and Health Administration reportable injuries. Contractor shall have a nondelegable duty to control its employees while they are on the job site or any other property of Railroad, and to be certain they do not use, be under the influence of, or have in their possession any alcoholic beverage, drug or other substance that may inhibit the safe performance of any work.
- D. If and when requested by Railroad, Contractor shall deliver to Railroad a copy of Contractor's safety plan for conducting the work (the "Safety Plan"). Railroad shall have the right, but not the obligation, to require Contractor to correct any deficiencies in the Safety Plan. The terms of this Agreement shall control if there are any inconsistencies between this Agreement and the Safety Plan.

Section 8. INDEMNITY.

- A. To the extent not prohibited by applicable statute, Contractor shall indemnify, defend and hold harmless Railroad, its affiliates, and its and their officers, agents and employees (individually an "Indemnified Party" or collectively "Indemnified Parties") from and against any and all loss, damage, injury, liability, claim, demand, cost or expense (including, without limitation, attorney's, consultant's and expert's fees, and court costs), fine or penalty (collectively, "Loss") incurred by any person (including, without limitation, any Indemnified Party, Contractor, or any employee of Contractor or of any Indemnified Party) arising out of or in any manner connected with (i) any work performed by Contractor, or (ii) any act or omission of Contractor, its officers, agents or employees, or (iii) any breach of this Agreement by Contractor.
- B. The right to indemnity under this Section 8 shall accrue upon occurrence of the event giving rise to the Loss, and shall apply regardless of any negligence or strict liability of any Indemnified Party, except where the Loss is caused by the sole active negligence of an Indemnified Party as established by the final judgment of a court of competent jurisdiction. The sole active negligence of any Indemnified Party shall not bar the recovery of any other Indemnified Party.
- C. Contractor expressly and specifically assumes potential liability under this Section 8 for claims or actions brought by Contractor's own employees. Contractor waives any immunity it may have under worker's compensation or industrial insurance acts to indemnify the Indemnified Parties under this Section 8. Contractor acknowledges that this waiver was mutually negotiated by the parties hereto.
- D. No court or jury findings in any employee's suit pursuant to any worker's compensation act or the Federal Employers' Liability Act against a party to this Agreement may be relied upon or used by Contractor in any attempt to assert liability against any Indemnified Party.
- E. The provisions of this Section 8 shall survive the completion of any work performed by Contractor or the termination or expiration of this Agreement. In no event shall this Section 8 or any other provision of this Agreement be deemed to limit any liability Contractor may have to any Indemnified Party by statute or under common law.

Section 9. RESTORATION OF PROPERTY.

In the event Railroad authorizes Contractor to take down any fence of Railroad or in any manner move or disturb any of the other property of Railroad in connection with the work to be performed by Contractor, then in that event Contractor shall, as soon as possible and at Contractor's sole expense, restore such fence and other property to the same condition as the same were in before such fence was taken down or such other property was moved or disturbed. Contractor shall remove all of Contractor's tools, equipment, rubbish and other materials from Railroad's property promptly upon completion of the work, restoring Railroad's property to the same state and condition as when Contractor entered thereon.

Section 10. WAIVER OF DEFAULT.

Waiver by Railroad of any breach or default of any condition, covenant or agreement herein contained to be kept, observed and performed by Contractor shall in no way impair the right of Railroad to avail itself of any remedy for any subsequent breach or default.

Section 11. MODIFICATION - ENTIRE AGREEMENT.

No modification of this Agreement shall be effective unless made in writing and signed by Contractor and Railroad. This Agreement and the exhibits attached hereto and made a part hereof constitute the entire understanding between Contractor and Railroad and cancel and supersede any prior negotiations, understandings or agreements, whether written or oral, with respect to the work to be performed by Contractor.

Section 12. ASSIGNMENT - SUBCONTRACTING.

Contractor shall not assign or subcontract this Agreement, or any interest therein, without the written consent of the Railroad. Contractor shall be responsible for the acts and omissions of all subcontractors. Before Contractor commences any work, the Contractor shall, except to the extent prohibited by law; (1) require each of its subcontractors to include the Contractor as "Additional Insured" in the subcontractor's Commercial General Liability policy and Business Automobile policies with respect to all liabilities arising out of the subcontractor's performance of work on behalf of the Contractor by endorsing these policies with ISO Additional Insured Endorsements CG 20 26, and CA 20 48 (or substitute forms providing equivalent coverage; (2) require each of its subcontractors to endorse their Commercial General Liability Policy with "Contractual Liability Railroads" ISO Form CG 24 17 10 01 (or a substitute form providing equivalent coverage) for the job site; and (3) require each of its subcontractors to endorse their Business Automobile Policy with "Coverage For Certain Operations In Connection With Railroads" ISO Form CA 20 70 10 01 (or a substitute form providing equivalent coverage) for the job site.

EXHIBIT C

TO CONTRACTOR'S RIGHT OF ENTRY AGREEMENT

INSURANCE REQUIREMENTS

Contractor shall, at its sole cost and expense, procure and maintain during the course of the Project and until all Project work on Railroad's property has been completed and the Contractor has removed all equipment and materials from Railroad's property and has cleaned and restored Railroad's property to Railroad's satisfaction, the following insurance coverage:

- A. **COMMERCIAL GENERAL LIABILITY INSURANCE**. Commercial general liability (CGL) with a limit of not less than \$5,000,000 each occurrence and an aggregate limit of not less than \$10,000,000. CGL insurance must be written on ISO occurrence form CG 00 01 12 04 (or a substitute form providing equivalent coverage).

The policy must also contain the following endorsement, which must be stated on the certificate of insurance:

- Contractual Liability Railroads ISO form CG 24 17 10 01 (or a substitute form providing equivalent coverage) showing "Union Pacific Railroad Company Property" as the Designated Job Site.
- Designated Construction Project(s) General Aggregate Limit ISO Form CG 25 03 03 97 (or a substitute form providing equivalent coverage) showing the project on the form schedule.

- B. **BUSINESS AUTOMOBILE COVERAGE INSURANCE**. Business auto coverage written on ISO form CA 00 01 10 01 (or a substitute form providing equivalent liability coverage) with a combined single limit of not less \$5,000,000 for each accident and coverage must include liability arising out of any auto (including owned, hired and non-owned autos).

The policy must contain the following endorsements, which must be stated on the certificate of insurance:

- Coverage For Certain Operations In Connection With Railroads ISO form CA 20 70 10 01 (or a substitute form providing equivalent coverage) showing "Union Pacific Property" as the Designated Job Site.
- Motor Carrier Act Endorsement - Hazardous materials clean up (MCS-90) if required by law.

- C. **WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY INSURANCE**. Coverage must include but not be limited to:

- Contractor's statutory liability under the workers' compensation laws of the state where the work is being performed.
- Employers' Liability (Part B) with limits of at least \$500,000 each accident, \$500,000 disease policy limit \$500,000 each employee.

If Contractor is self-insured, evidence of state approval and excess workers compensation coverage must be provided.

Coverage must include liability arising out of the U. S. Longshoremen's and Harbor Workers' Act, the Jones Act, and the Outer Continental Shelf Land Act, if applicable.

The policy must contain the following endorsement, which must be stated on the certificate of insurance:

- Alternate Employer endorsement ISO form WC 00 03 01 A (or a substitute form providing equivalent coverage) showing Railroad in the schedule as the alternate employer (or a substitute form providing equivalent coverage).

- D. **RAILROAD PROTECTIVE LIABILITY INSURANCE**. Contractor must maintain Railroad Protective Liability insurance written on ISO occurrence form CG 00 35 12 04 (or a substitute form providing equivalent coverage) on behalf of Railroad as named insured, with a limit of not less than \$2,000,000 per occurrence and an aggregate of \$6,000,000. A binder stating the policy is in place must be submitted to Railroad before the work may be commenced and until the original policy is forwarded to Railroad.

- E. **UMBRELLA OR EXCESS INSURANCE**. If Contractor utilizes umbrella or excess policies, these policies must "follow form" and afford no less coverage than the primary policy.

- F. **POLLUTION LIABILITY INSURANCE**. Pollution liability coverage must be written on ISO form Pollution Liability Coverage Form Designated Sites CG 00 39 12 04 (or a substitute form providing equivalent liability coverage), with limits of at least

\$5,000,000 per occurrence and an aggregate limit of \$10,000,000.

If the scope of work as defined in this Agreement includes the disposal of any hazardous or non-hazardous materials from the job site, Contractor must furnish to Railroad evidence of pollution legal liability insurance maintained by the disposal site operator for losses arising from the insured facility accepting the materials, with coverage in minimum amounts of \$1,000,000 per loss, and an annual aggregate of \$2,000,000.

OTHER REQUIREMENTS

- G. All policy(ies) required above (except worker's compensation and employers liability) must include Railroad as "Additional Insured" using ISO Additional Insured Endorsements CG 20 26, and CA 20 48 (or substitute forms providing equivalent coverage). The coverage provided to Railroad as additional insured shall, to the extent provided under ISO Additional Insured Endorsement CG 20 26, and CA 20 48 provide coverage for Railroad's negligence whether sole or partial, active or passive, and shall not be limited by Contractor's liability under the indemnity provisions of this Agreement.
- H. Punitive damages exclusion, if any, must be deleted (and the deletion indicated on the certificate of insurance), unless the law governing this Agreement prohibits all punitive damages that might arise under this Agreement.
- I. Contractor waives all rights of recovery, and its insurers also waive all rights of subrogation of damages against Railroad and its agents, officers, directors and employees. This waiver must be stated on the certificate of insurance.
- J. Prior to commencing the work, Contractor shall furnish Railroad with a certificate(s) of insurance, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements in this Agreement.
- K. All insurance policies must be written by a reputable insurance company acceptable to Railroad or with a current Best's Insurance Guide Rating of A- and Class VII or better, and authorized to do business in the state where the work is being performed.
- L. The fact that insurance is obtained by Contractor or by Railroad on behalf of Contractor will not be deemed to release or diminish the liability of Contractor, including, without limitation, liability under the indemnity provisions of this Agreement. Damages recoverable by Railroad from Contractor or any third party will not be limited by the amount of the required insurance coverage.

EXHIBIT D

TO CONTRACTOR'S RIGHT OF ENTRY AGREEMENT

MINIMUM SAFETY REQUIREMENTS

The term "employees" as used herein refer to all employees of Contractor as well as all employees of any subcontractor or agent of Contractor.

I. CLOTHING

- A. All employees of Contractor will be suitably dressed to perform their duties safely and in a manner that will not interfere with their vision, hearing, or free use of their hands or feet.

Specifically, Contractor's employees must wear:

- i. Waist-length shirts with sleeves.
 - ii. Trousers that cover the entire leg. If flare-legged trousers are worn, the trouser bottoms must be tied to prevent catching.
 - iii. Footwear that covers their ankles and has a defined heel. Employees working on bridges are required to wear safety-toed footwear that conforms to the American National Standards Institute (ANSI) and FRA footwear requirements.
- B. Employees shall not wear boots (other than work boots), sandals, canvas-type shoes, or other shoes that have thin soles or heels that are higher than normal.
- C. Employees must not wear loose or ragged clothing, neckties, finger rings, or other loose jewelry while operating or working on machinery.

II. PERSONAL PROTECTIVE EQUIPMENT

Contractor shall require its employees to wear personal protective equipment as specified by Railroad rules, regulations, or recommended or requested by the Railroad Representative.

- i. Hard hat that meets the American National Standard (ANSI) Z89.1 – latest revision. Hard hats should be affixed with Contractor's company logo or name.
- ii. Eye protection that meets American National Standard (ANSI) for occupational and educational eye and face protection, Z87.1 – latest revision. Additional eye protection must be provided to meet specific job situations such as welding, grinding, etc.
- iii. Hearing protection, which affords enough attenuation to give protection from noise levels that will be occurring on the job site. Hearing protection, in the form of plugs or muffs, must be worn when employees are within:
 - 100 feet of a locomotive or roadway/work equipment
 - 15 feet of power operated tools
 - 150 feet of jet blowers or pile drivers
 - 150 feet of retarders in use (when within 10 feet, employees must wear dual ear protection – plugs and muffs)
- iv. Other types of personal protective equipment, such as respirators, fall protection equipment, and face shields, must be worn as recommended or requested by the Railroad Representative.

III. ON TRACK SAFETY

Contractor is responsible for compliance with the Federal Railroad Administration's Roadway Worker Protection regulations – 49CFR214, Subpart C and Railroad's On-Track Safety rules. Under 49CFR214, Subpart C, railroad contractors are responsible for the training of their employees on such regulations. In addition to the instructions contained in Roadway Worker Protection regulations, all employees must:

- i. Maintain a distance of twenty-five (25) feet to any track unless the Railroad Representative is present to authorize movements.

- ii. Wear an orange, reflectorized workwear approved by the Railroad Representative.
- iii. Participate in a job briefing that will specify the type of On-Track Safety for the type of work being performed. Contractor must take special note of limits of track authority, which tracks may or may not be fouled, and clearing the track. Contractor will also receive special instructions relating to the work zone around machines and minimum distances between machines while working or traveling.

IV. EQUIPMENT

- A. It is the responsibility of Contractor to ensure that all equipment is in a safe condition to operate. If, in the opinion of the Railroad Representative, any of Contractor's equipment is unsafe for use, Contractor shall remove such equipment from Railroad's property. In addition, Contractor must ensure that the operators of all equipment are properly trained and competent in the safe operation of the equipment. In addition, operators must be:
 - i. Familiar and comply with Railroad's rules on lockout/tagout of equipment.
 - ii. Trained in and comply with the applicable operating rules if operating any hy-rail equipment on-track.
 - iii. Trained in and comply with the applicable air brake rules if operating any equipment that moves rail cars or any other railbound equipment.
- B. All self-propelled equipment must be equipped with a first-aid kit, fire extinguisher, and audible back-up warning device.
- C. Unless otherwise authorized by the Railroad Representative, all equipment must be parked a minimum of twenty-five (25) feet from any track. Before leaving any equipment unattended, the operator must stop the engine and properly secure the equipment against movement.
- D. Cranes must be equipped with three orange cones that will be used to mark the working area of the crane and the minimum clearances to overhead powerlines.

V. GENERAL SAFETY REQUIREMENTS

- A. Contractor shall ensure that all waste is properly disposed of in accordance with applicable federal and state regulations.
- B. Contractor shall ensure that all employees participate in and comply with a job briefing conducted by the Railroad Representative, if applicable. During this briefing, the Railroad Representative will specify safe work procedures, (including On-Track Safety) and the potential hazards of the job. If any employee has any questions or concerns about the work, the employee must voice them during the job briefing. Additional job briefings will be conducted during the work as conditions, work procedures, or personnel change.
- C. All track work performed by Contractor meets the minimum safety requirements established by the Federal Railroad Administration's Track Safety Standards 49CFR213.
- D. All employees comply with the following safety procedures when working around any railroad track:
 - i. Always be on the alert for moving equipment. Employees must always expect movement on any track, at any time, in either direction.
 - ii. Do not step or walk on the top of the rail, frog, switches, guard rails, or other track components.
 - iii. In passing around the ends of standing cars, engines, roadway machines or work equipment, leave at least 20 feet between yourself and the end of the equipment. Do not go between pieces of equipment of the opening is less than one car length (50 feet).
 - iv. Avoid walking or standing on a track unless so authorized by the employee in charge.
 - v. Before stepping over or crossing tracks, look in both directions first.
 - vi. Do not sit on, lie under, or cross between cars except as required in the performance of your duties and only when track and equipment have been protected against movement.
- E. All employees must comply with all federal and state regulations concerning workplace safety.

RESOLUTION 2014-_____

APPROVING THE UNION PACIFIC RAILROAD (UPRR) COMPANY PUBLIC HIGHWAY AT-GRADE CROSSING IMPROVEMENT AGREEMENT AND SUPPLEMENTAL AGREEMENT TO PROVIDE INTERSECTION IMPROVEMENTS AT THE INTERSECTION OF ELEVENTH STREET AND MACARTHUR DRIVE (WESTERN) AT MILE POST 83.15 – ELEVENTH STREET (DOT NO 753058M) AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENTS

WHEREAS, The Engineering Division of Development Services is currently in the process of preparing plans and specifications for the intersection improvements at Eleventh Street and MacArthur Drive (western intersection), and

WHEREAS, These intersection improvements require modifications to the UPRR gate arm mechanism, signals, tracks, and interconnect, and

WHEREAS, At the City's request, UPRR has agreed to provide improvements to the railroad crossing and provide a proposal to perform all necessary work within their right of way for an estimated cost of \$684,419, and

WHEREAS, The UPRR scope of the work includes installation of 144 feet of crossing surface including ties and rail, one new gate arm mechanism, two new gates and cantilevers and one new flashing light mechanism and also includes the installation of a signal cabinet and equipment to provide 26 seconds of advanced preemption at Mile Post 83.15, and

WHEREAS, The UPRR scope of the work includes providing the City with a 495 square foot easement needed to facilitate the widening of the intersection, and

WHEREAS, The UPRR's preliminary cost estimate to furnish all labor, materials, equipment and supervision for the railroad crossing and associated improvements is \$684,419. The cost does not include flagging or other protective services provided by the Railroad. The final project cost will be billed to the City upon completion of the project, and

WHEREAS, To initiate the agreement, UPRR requires an initial upfront payment in the amount of \$5,200, and

WHEREAS, The estimated cost of UPRR improvements is \$684,419. CIP 72069 is an approved Capital Improvement Project with sufficient funding and there will be no fiscal impact to the General Fund;

NOW, THEREFORE, BE IT RESOLVED, That City Council approves the Public Highway At-Grade Improvement Agreement and Supplemental Agreement with Union Pacific Railroad Company for intersection improvements at the railroad crossing at Eleventh Street and MacArthur Drive (Western) - CIP 72069, and authorizes the Mayor to execute the Agreements.

* * * * *

The foregoing Resolution 2014-_____ was passed and adopted by the Tracy City Council on the 16th day of September, 2014, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

MAYOR

INTERIM CITY CLERK

AGENDA ITEM 1.G

REQUEST

APPROVE THE FINAL SUBDIVISION MAP AND SUBDIVISION IMPROVEMENT AGREEMENT FOR TRINITY LANE, TRACT 3820, AUTHORIZE THE MAYOR TO EXECUTE THE AGREEMENT, AND AUTHORIZE THE CITY CLERK TO FILE THE AGREEMENT WITH THE SAN JOAQUIN COUNTY RECORDER

EXECUTIVE SUMMARY

Approval of the Final Subdivision Map will facilitate recordation of the Final Subdivision Map, and the issuance of building permits to construct residential houses. Pulte Homes Corporation, a Michigan corporation (Subdivider), has signed the Subdivision Improvement Agreement (SIA) for construction of the subdivision improvements to serve 60 single family dwelling lots.

DISCUSSION

City Council approved the Vesting Tentative Subdivision Map for Trinity Lane, Tract 3820, previously named Feteira, on March 18, 2014, for the subdivision of the 4.32-acre parcel into 60 residential lots. This subdivision is generally located at the northeast corner of Lammers Road and Feteira Way and is within the boundaries of the Plan "C" development area.

The Subdivider has executed the Subdivision Improvement Agreement for the completion of the subdivision improvements. The Engineering Division has reviewed the Improvement Plans and all improvements required of Trinity Lane, Tract 3820, are guaranteed as part of the Subdivision Improvement Agreement with security.

The Final Subdivision Map has been reviewed as to its substantial compliance with the design of the approved Vesting Tentative Subdivision Map. The Subdivision Improvement Agreement, Final Subdivision Map, and Improvement Plans are on file with the City Engineer and are available for review upon request.

Upon completion of all improvements, the City will accept the improvements for maintenance and will accept all offers of dedication of public right-of-way at that time.

FISCAL IMPACT

There will be no impact to the General Fund. The Subdivider has paid the applicable engineering review fees which include plan checking and engineering inspection and the cost of processing the Final Subdivision Map and Subdivision Improvement Agreement.

STRATEGIC PLAN

This agenda item is consistent with the Council approved Economic Development Strategy to ensure physical infrastructure necessary for development.

RECOMMENDATION

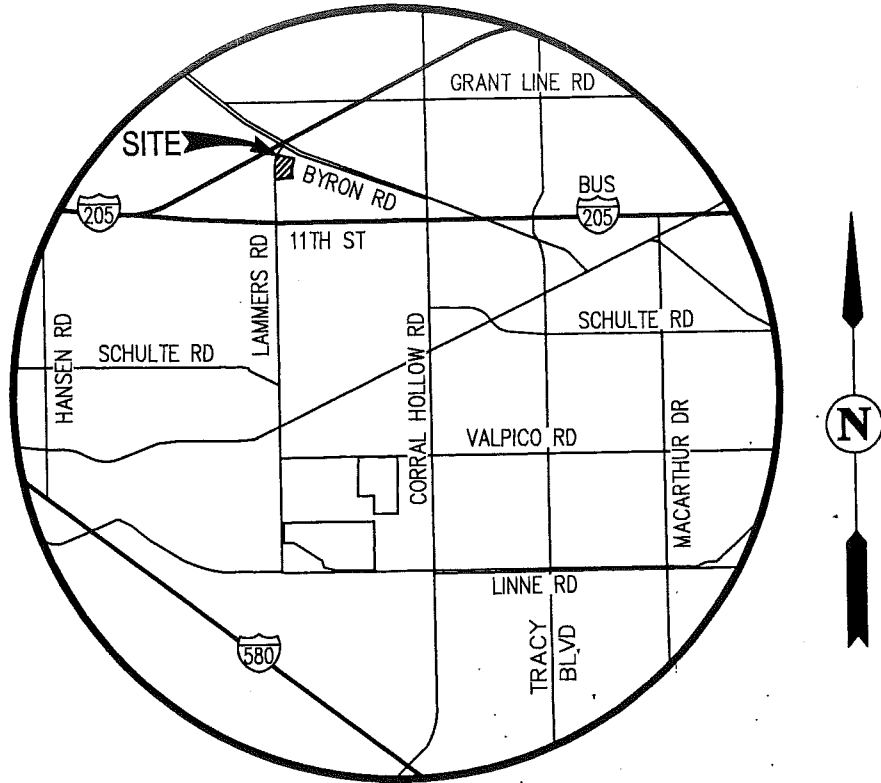
That City Council, by resolution, approve the Final Subdivision Map for Trinity Lane, Tract 3820, authorize the Mayor to execute the Subdivision Improvement Agreement, and authorize the City Clerk to file the Subdivision Improvement Agreement with the San Joaquin County Recorder.

Prepared by: Criseldo Mina, Senior Civil Engineer

Reviewed by: Andrew Malik, Development Services Director

Approved by: Maria A. Hurtado, Assistant City Manager
Troy Brown, City Manager

Attachment - Vicinity Map



VICINITY MAP

NOT TO SCALE

RESOLUTION 2014 - _____

APPROVING THE FINAL SUBDIVISION MAP AND SUBDIVISION IMPROVEMENT AGREEMENT FOR TRINITY LANE, TRACT 3820, AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT, AND AUTHORIZING THE CITY CLERK TO FILE THE SUBDIVISION IMPROVEMENT AGREEMENT WITH THE SAN JOAQUIN COUNTY RECORDER

WHEREAS, The Vesting Tentative Subdivision Map for the Trinity Lane Subdivision, a single-family residential development with a total of 60 single family dwelling lots, was approved by City Council on March 18, 2014, pursuant to Resolution 2014-041, and

WHEREAS, Trinity Lane, Tract 3820 is within the boundaries of the Plan "C" Development Area, and

WHEREAS, Pulte Home Corporation, a Michigan corporation, has requested to construct public improvements to serve the proposed residential development, and

WHEREAS, The Subdivider has executed the Subdivision Improvement Agreement and posted security for construction of the subdivision improvements, and

WHEREAS, Upon completion of all improvements, the City will accept the public improvements for maintenance and will accept all offers of dedication of public right-of-way, and

WHEREAS, There will be no impact to the General Fund. The Developer has paid the applicable engineering review fees which include the cost of processing the Final Subdivision Map, Improvement Plans, and Subdivision Improvement Agreement;

NOW, THEREFORE, BE IT RESOLVED, That City Council approves the Final Subdivision Map for Trinity Lane, Tract 3820, authorizes the Mayor to execute the Subdivision Improvement Agreement, and authorizes the City Clerk to file the Subdivision Improvement Agreement with the San Joaquin County Recorder.

* * * * *

The foregoing Resolution was adopted by the Tracy City Council on the 16th day of September, 2014, by the following vote:

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

MAYOR

ATTEST:

INTERIM CITY CLERK

AGENDA ITEM 1.H

REQUEST

APPROVE THE FINAL SUBDIVISION MAP AND SUBDIVISION IMPROVEMENT AGREEMENT FOR PRIMROSE - PHASE 1, TRACT 3772, AUTHORIZE THE MAYOR TO EXECUTE THE AGREEMENT, AND AUTHORIZE THE CITY CLERK TO FILE THE SUBDIVISION IMPROVEMENT AGREEMENT WITH THE SAN JOAQUIN COUNTY RECORDER

EXECUTIVE SUMMARY

Approval of the Final Subdivision Map will facilitate recordation of the Final Subdivision Map, and the issuance of building permits to construct residential houses. Standard Pacific Corporation, a Delaware corporation (Subdivider), has signed the Subdivision Improvement Agreement (SIA) for the construction of subdivision improvements to serve 71 single family dwelling lots.

DISCUSSION

On August 20, 2013, City Council approved the Concept, Preliminary and Final Development Plan, and the Vesting Tentative Subdivision Map, to create 252 residential lots for single family dwelling units known as the "Kagehiro Phase 3 Subdivision", located at the southeast corner of Corral Hollow Road and Kagehiro Drive. This subdivision is approximately 47.1 acres and is designated in the General Plan as LDR for low density residential development.

On April 4, 2014, the Final Parcel Map for the Kagehiro Phase 3 Subdivision was recorded to subdivide the property into two parcels. The western parcel is approximately 23.85 acres. Primrose – Phase 1, Tract 3772, is the first residential phase of the 23.85 acre-parcel, which is comprised of 71 single family dwelling lots.

The Subdivider has executed the Subdivision Improvement Agreement, for the completion of the subdivision improvements. The Engineering Division has reviewed the Improvement Plans and all improvements required of Primrose – Phase 1, Tract 3772, are guaranteed as part of the Subdivision Improvement Agreement with security.

The Final Subdivision Map has been reviewed as to its substantial compliance with the design of the approved Vesting Tentative Subdivision Map. The Subdivision Improvement Agreement, Final Subdivision Map, and Improvement Plans are on file with the City Engineer and are available for review upon request.

Upon completion of all improvements, the City will accept the improvements for maintenance and will accept all offers of dedication of public right-of-way at that time.

FISCAL IMPACT

There will be no impact to the General Fund; the Subdivider has paid the applicable engineering review fees which include the cost of processing the Final Subdivision Map and Subdivision Improvement Agreement.

STRATEGIC PLAN

This agenda item is consistent with the Council approved Economic Development Strategy to ensure physical infrastructure necessary for development.

RECOMMENDATION

That City Council, by resolution, approve the Final Subdivision Map for Primrose – Phase 1, Tract 3772, authorize the Mayor to execute the Subdivision Improvement Agreement, and authorize the City Clerk to file the Agreement with the San Joaquin County Recorder.

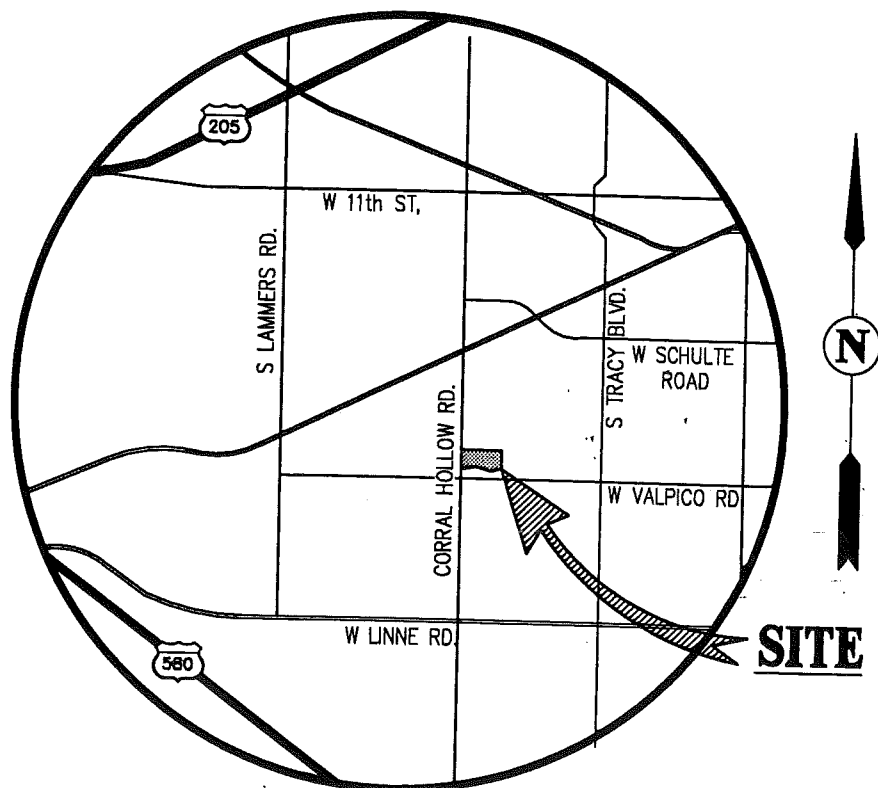
Prepared by: Carlos Garcia, Engineering Technician II
Criseldo Mina, Senior Civil Engineer

Reviewed by: Andrew Malik, Development Services Director

Approved by: Maria A. Hurtado, Assistant City Manager
Troy Brown, City Manager

Attachment - Vicinity Map

PRIMROSE-PHASE 1, TRACT 3772



VICINITY MAP

NOT TO SCALE

RESOLUTION 2014 - _____

APPROVING THE FINAL SUBDIVISION MAP AND SUBDIVISION IMPROVEMENT AGREEMENT FOR PRIMROSE – PHASE 1, TRACT 3772, AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT, AND AUTHORIZING THE CITY CLERK TO FILE THE AGREEMENT WITH THE OFFICE OF THE SAN JOAQUIN COUNTY RECORDER

WHEREAS, The Concept, Preliminary and Final Development Plan, and the Vesting Tentative Subdivision Map for Kagehiro Phase 3 Subdivision, a single-family residential development with a total of 252 single family dwelling lots, was approved by City Council on August 20, 2103, pursuant to Resolution 2013-134, and

WHEREAS, Kagehiro Phase 3 Subdivision was subdivided into two parcels and the western parcel is approximately 23.85 acres, and

WHEREAS, Primrose – Phase 1, Tract 3772, is the first residential development with 71 single family dwelling units which will be constructed within the western parcel, and

WHEREAS, Standard Pacific Corporation, a Delaware corporation, has requested to construct public improvements to serve the proposed residential development, and

WHEREAS, The Subdivider has executed the Subdivision Improvement Agreement and posted security for construction of the subdivision improvements, and

WHEREAS, Upon completion of all improvements, the City will accept the public improvements for maintenance and will accept all offers of dedication of public right-of-way, and

WHEREAS, There will be no impact to the General Fund. The Developer has paid the applicable engineering review fees which include the cost of processing the Final Subdivision Map, Improvement Plans, and Subdivision Improvement Agreement;

NOW, THEREFORE, BE IT RESOLVED, that City Council approves the Final Subdivision Map for Primrose – Phase 1, Tract 3772, authorizes the Mayor to execute the Subdivision Improvement Agreement, and authorizes the City Clerk to file the Agreement with the Office of the San Joaquin County Recorder.

* * * * *

The foregoing Resolution was adopted by the City Council on the 16th day of September, 2014, by the following vote:

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

MAYOR

ATTEST:

INTERIM CITY CLERK

AGENDA ITEM 1.I

REQUEST

AUTHORIZATION OF PROFESSIONAL SERVICES AGREEMENT WITH WEST YOST ASSOCIATES FOR THE 2014 AQUIFER STORAGE AND RECOVERY PROGRAM AND AUTHORIZATION FOR THE MAYOR TO EXECUTE THE AGREEMENT

EXECUTIVE SUMMARY

In November 2013, the City of Tracy received approval from the Central Valley Regional Water Quality Control Board (RWQCB) for the permanent Aquifer Storage and Recovery (ASR) program utilizing Production Well No. 8. The RWQCB approval requires ongoing monitoring and reporting. Professional services are needed to proceed with the required monitoring, testing and evaluation.

DISCUSSION

The ASR program involves the injection of treated potable surface water into a groundwater basin, via an ASR well, and extracting the stored water at a later date from the same well. The use of ASR will greatly enhance the reliability of the Tracy water supply, especially in drought conditions, by allowing surplus water in wet years to be stored for use during dry years. It will also assist in meeting the stringent salinity standards for Tracy's wastewater discharge proposed by the RWQCB, by improving Tracy's source water supply.

The City's first ASR program commenced in 2001 and was temporarily stopped in 2004 after a RWQCB hearing in which Tracy was denied a permit to proceed because of concerns of treated drinking water contaminating the underground aquifer. At the hearing, the RWQCB suggested that the South San Joaquin County Irrigation District water (the Stanislaus River water) would be the best water for Tracy to use for ASR. Since that time, the City proceeded towards the use of Stanislaus River water and the ASR program by having Production Well No. 8 designed and equipped as an ASR well. The ASR well project was completed and is located at the corner of Tracy Boulevard and Sixth Street.

In 2011, 2012 and 2013, an ASR demonstration project was conducted using treated drinking water from the Stanislaus River using Production Well No. 8. Injection occurred during the months of January through April. The water remained underground for a period of several months and was extracted at various intervals during the subsequent months to determine the rate of degradation of disinfection byproducts and other geochemical changes. The movement of the water was monitored using data collected from monitoring wells. The water that was injected was pumped from Production Well No. 8 and after testing, was pumped into the water distribution system for use.

In December 2012, the City Council approved a CEQA Negative Declaration for the project and the RWQCB approved the permanent ongoing program in November 2013. During 2014, water was injected during the winter months and is currently being pumped into the distribution system for use. Staff anticipates removing, for beneficial use, all of

the stored water during this drought year. However, no injection has been done or planned this year due to the prevailing drought conditions in the State.

West Yost & Associates has provided technical services for this program including design and preparation of the construction documents. West Yost was selected for this work as part of the selection process for the Water Master Plan. ASR was specifically included in this request for proposals.

As part of the State permit requirements, the services of West Yost are needed for monitoring and collecting various operational data, performing testing and preparing annual reports for submittal to RWQCB.

The work to be performed by West Yost as part of this agreement includes:

- Prepare 2012 and 2013 ASR summary reports of the operation activities, laboratory sampling results, and data analysis.
- Technical coordination with City water operations staff.
- Prepare RWQCB 2014 annual report
- Assistance with other ASR related technical and regulatory services.

STRATEGIC PLAN

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

FISCAL IMPACT

There is no impact to the General Fund. The 2014 program has an estimated cost for technical services of \$80,000. This item is budgeted in Fiscal Year 2014-2015 as CIP 75078 and there are adequate funds available. Previous expenditures for ASR include \$337,000 authorized in 2001, to start the project and approximately \$400,000 over the previous four years for testing, analysis and evaluation. This project is a very cost effective method of water storage with resulting increases in reliability and quality of water delivered to our customers.

RECOMMENDATION

That City Council, by resolution, authorize the Professional Services Agreement with West Yost & Associates for the 2014 Aquifer Storage and Recovery Program and authorize the Mayor to execute the agreement.

Prepared by: Steve Bayley, Project Specialist, Utilities Department

Reviewed by: Kuldeep Sharma, Utilities Director
Maria A. Hurtado, Assistant City Manager

Approved by: Troy Brown, City Manager

ATTACHMENTS

Attachment A: West Yost & Associates, Professional Services Agreement

**CITY OF TRACY
PROFESSIONAL SERVICES AGREEMENT FOR DESIGN PROFESSIONALS**

2014 AQUIFER STORAGE AND RECOVERY PROGRAM

This Professional Services Agreement ("Agreement") is entered into between the City of Tracy, a municipal corporation ("City"), and West Yost Associates ("Consultant").

RECITALS

- A. Consultant is a registered professional engineer.
- B. Consultant services are needed related to providing on-going technical support related to the operation of and evaluation of data generated from the City's 2014 Aquifer Storage and Recovery (ASR) Program. Additionally, Consultant will assist the City with responding to regulatory agencies such as the RWQCB, if requested by the City.
- C. At the request of the City, in late May 2014, Consultant submitted a proposal to perform the services described in this Agreement. After negotiations between City and Consultant, the parties have reached an agreement for the performance of services in accordance with the terms set forth in this Agreement.

NOW THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **SCOPE OF SERVICES.** Consultant shall perform the services described in Exhibit "A" attached and incorporated by reference. The services shall be performed by, or under the direct supervision of, Consultant's Authorized Representative: Gerry Nakano. Consultant shall not replace its Authorized Representative, nor shall Consultant replace any of the personnel listed in Exhibit "A," nor shall Consultant use any subcontractors or subconsultants, without City's prior written consent.
2. **TIME OF PERFORMANCE.** Time is of the essence in the performance of services under this Agreement and the timing requirements set forth shall be strictly adhered to unless otherwise modified in writing in accordance with this Agreement. Consultant shall begin performance, and shall complete all required services no later than the dates set forth in Exhibit "A." Any services for which times for performance are not specified in this Agreement shall be started and completed by Consultant in a reasonably prompt and timely manner based upon the circumstances and direction communicated to the Consultant. Consultant shall submit all requests for extensions of time to the City in writing no later than ten days after the start of the condition which purportedly caused the delay, and not later than the date on which performance is due. City shall grant or deny such requests at its sole discretion.

CITY OF TRACY -- PROFESSIONAL SERVICES AGREEMENT FOR DESIGN PROFESSIONALS, 2014 AQUIFER STORAGE AND RECOVERY PROGRAM

Page 2 of 6

- 3. INDEPENDENT CONTRACTOR STATUS.** Consultant is an independent contractor and is solely responsible for all acts of its employees, agents, or subconsultants, including any negligent acts or omissions. Consultant is not City's employee and Consultant shall have no authority, express or implied, to act on behalf of the City as an agent, or to bind the City to any obligation, unless the City provides prior written authorization to Consultant. Consultant is free to work for other entities while under contract with the City. Consultant is not entitled to City benefits.
- 4. CONFLICTS OF INTEREST.** Consultant (including its employees, agents, and subconsultants) shall not maintain or acquire any direct or indirect interest that conflicts with the performance of this Agreement. If Consultant maintains or acquires such a conflicting interest, the City may terminate any contract (including this Agreement) involving Consultant's conflicting interest.
- 5. COMPENSATION.**

 - 5.1 General.** For services performed by Consultant under this Agreement, City shall pay Consultant on a time and expense basis, at the billing rates set forth in Exhibit "B," attached and incorporated by reference. Consultant's fee for this Agreement is Not to Exceed EIGHTY THOUSAND DOLLARS [\$80,000]. Consultant's billing rates shall cover all costs and expenses for Consultant's performance of this Agreement. No work shall be performed by Consultant in excess of the Not to Exceed amount without the City's prior written approval.
 - 5.2 Invoices.** Consultant shall submit monthly invoices to the City describing the services performed, including times, dates, and names of persons performing the service.
 - 5.3 Payment.** Within 30 days after the City's receipt of invoice, City shall make payment to the Consultant based upon the services described on the invoice and approved by the City.
- 6. TERMINATION.** The City may terminate this Agreement by giving ten days written notice to Consultant. Upon termination, Consultant shall give the City all original documents, including preliminary drafts and supporting documents, prepared by Consultant for this Agreement. The City shall pay Consultant for all services satisfactorily performed in accordance with this Agreement, up to the date notice is given.
- 7. OWNERSHIP OF WORK.** All original documents prepared by Consultant for this Agreement, whether complete or in progress, are the property of the City, and shall be given to the City at the completion of Consultant's services, or upon demand from the City. No such documents shall be revealed or made available by Consultant to any third party without the City's prior written consent.

CITY OF TRACY -- PROFESSIONAL SERVICES AGREEMENT FOR DESIGN PROFESSIONALS, 2014 AQUIFER STORAGE AND RECOVERY PROGRAM

Page 3 of 6

8. **INDEMNIFICATION.** Consultant shall, to the fullest extent permitted by law, indemnify, defend (with independent counsel approved by the City), and hold harmless the City from and against any claims arising out of Consultant's performance or failure to comply with obligations under this Agreement, except to the extent caused by the sole, active negligence or willful misconduct of the City.

In this section, "City" means the City, its officials, officers, agents, employees and volunteers; "Consultant" means the Consultant, its employees, agents and subcontractors; "Claims" includes claims, demands, actions, losses, damages, injuries, and liability, direct or indirect (including any and all related costs and expenses in connection therein) and any allegations of these; and "Arising out of" includes "pertaining to" and "relating to".

(The duty of a "design professional" to indemnify and defend the City is limited to claims that arise out of, pertain to, or relate to the negligence, recklessness or willful misconduct of the design professional, under Civ. Code § 2782.8.)

The provisions of this section survive completion of the services or the termination of this contract, and are not limited by the provisions of Section 10 relating to insurance.

9. **BUSINESS LICENSE.** Before beginning work under this Agreement, Consultant shall obtain a City of Tracy Business License.

10. **INSURANCE.**

10.1 **General.** Consultant shall, throughout the duration of this Agreement, maintain insurance to cover Consultant, its agents, representatives, and employees in connection with the performance of services under this Agreement at the minimum levels set forth here.

10.2 **Commercial General Liability** (with coverage at least as broad as ISO form CG 00 01) "per occurrence" coverage shall be maintained in an amount not less than \$2,000,000 general aggregate and \$1,000,000 per occurrence for general liability, bodily injury, personal injury, and property damage.

10.3 **Automobile Liability** (with coverage at least as broad as ISO form CA 00 01, for "any auto") coverage shall be maintained in an amount not less than \$1,000,000 per accident for bodily injury and property damage.

10.4 **Workers' Compensation** coverage shall be maintained as required by the State of California.

10.5 **Professional Liability** "claims made" coverage shall be maintained to cover damages from negligent errors, omissions, or acts of Consultant in an amount not less than \$2,000,000 per claim and in the aggregate.

10.6 **Endorsements.** Consultant shall obtain endorsements to the commercial general liability with the following provisions:

CITY OF TRACY -- PROFESSIONAL SERVICES AGREEMENT FOR DESIGN PROFESSIONALS, 2014 AQUIFER STORAGE AND RECOVERY PROGRAM
Page 4 of 6

- 10.6.1 The City (including its elected officials, officers, employees, agents, and volunteers) shall be named as an additional "insured."
- 10.6.2 For any claims related to this Agreement, Consultant's coverage shall be primary insurance with respect to the City. Any insurance maintained by the City shall be excess of the Consultant's insurance and shall not contribute with it.
- 10.7 **Notice of Cancellation.** Consultant shall notify the City if the policy is canceled before the expiration date. For the purpose of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation. Consultant shall immediately obtain a replacement policy.
- 10.8 **Authorized Insurers.** All insurance companies providing coverage to Consultant shall be insurance organizations authorized by the Insurance Commissioner of the State of California to transact the business of insurance in the State of California.
- 10.9 **Insurance Certificate.** Consultant shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance, in a form satisfactory to the City, no later than five days after the execution of this Agreement.
- 10.10 **Substitute Certificates.** No later than 30 days prior to the policy expiration date of any insurance policy required by this Agreement, Consultant shall provide a substitute certificate of insurance.
- 10.11 **Consultant's Obligation.** Maintenance of insurance by the Consultant as specified in this Agreement shall in no way be interpreted as relieving the Consultant of any responsibility whatsoever (including indemnity obligations under this Agreement), and the Consultant may carry, at its own expense, such additional insurance as it deems necessary.
11. **ASSIGNMENT AND DELEGATION.** This Agreement and any portion of it shall not be assigned or transferred, nor shall any of the Consultant's duties be delegated, without the City's written consent. Any attempt to assign or delegate this Agreement without the City's written consent shall be void and of no effect. City's consent to one assignment shall not be deemed to be a consent to any subsequent assignment.
12. **MISCELLANEOUS.**
- 12.1 **Notices.** All notices, demands, or other communications which this Agreement contemplates or authorizes shall be in writing and shall be personally delivered or mailed to the other party as follows:

CITY OF TRACY -- PROFESSIONAL SERVICES AGREEMENT FOR DESIGN PROFESSIONALS, 2014 AQUIFER STORAGE AND RECOVERY PROGRAM

Page 5 of 6

To City:

Mr. Steve Bayley
Project Specialist, Utilities Department
City of Tracy
520 Tracy Blvd
Tracy, CA 95376

To Consultant:

Mr. Gerry Nakano
Vice President
West Yost Associates
7041 Koll Center Parkway, Suite 110
Pleasanton, CA 94566

With a copy to:

City Attorney
333 Civic Center Plaza
Tracy, CA 95376

Communications shall be deemed to have been given and received on the first to occur of: (1) actual receipt at the address designated above, or (2) three working days after the deposit in the United States Mail of registered or certified mail, sent to the address designated above.

- 12.2 Modifications.** This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by both parties.
- 12.3 Waivers.** Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement.
- 12.4 Severability.** If a term of this Agreement is held invalid by a court of competent jurisdiction, the Agreement shall be construed as not containing that term, and the remainder of this Agreement shall remain in effect.
- 12.5 Jurisdiction and Venue.** The interpretation, validity, and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement shall be filed and heard in a court of competent jurisdiction in the County of San Joaquin.
- 12.6 Entire Agreement.** This Agreement comprises the entire integrated understanding between the parties concerning the services to be performed. This Agreement supersedes all prior negotiations, representations or agreements.
- 12.7 Compliance with the Law.** Consultant shall comply with all applicable and non-conflicting local, state, and federal laws, whether or not those laws are expressly stated in this Agreement.

CITY OF TRACY -- PROFESSIONAL SERVICES AGREEMENT FOR DESIGN PROFESSIONALS, 2014 AQUIFER STORAGE AND RECOVERY PROGRAM

Page 6 of 6

12.8 Standard of Care. Unless otherwise specified in this Agreement, the standard of care applicable to Consultant's services will be the degree of skill and diligence ordinarily used by reputable professionals performing in the same or similar time and locality, and under the same or similar circumstances.


13. SIGNATURES. The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Agreement on behalf of the respective legal entities of the Consultant and the City. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

The parties agree to the full performance of the terms set forth here.

City of Tracy

West Yost Associates

By: Brent H. Ives
Title: Mayor
Date: _____

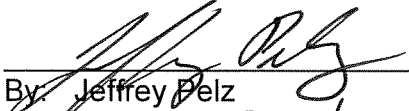


By: Charles Duncan
Title: President
Date: 9.2.14

Fed. Employer ID No. 68-0370826

Attest:

By: Carole Fleischmann
Title: City Clerk
Date: _____



By: Jeffrey Delz
Title: ~~Treasurer~~ Secretary
Date: 9/2/14

Approved As To Form:

By: Daniel G. Sodergren
Title: City Attorney
Date: _____

Attachments: Exhibit A Scope of Work
 Exhibit B 2014 Billing Rate Schedule

Technical Support for City's 2014 Aquifer Storage and Recovery Program

Approach and Scope of Work



PROJECT UNDERSTANDING

The City's existing Aquifer Storage and Recovery Well Program (ASR Program) at Well #8 has been a huge success. This program, permitted by the Central Valley Regional Water Quality Control Board (CVRWQCB) enables the City to seasonally store treated surface water (from the City's SSJID supply source) from about late December through approximately March or April (when demands begin to increase due to the warmer weather). These previously stored surface water supplies can then be extracted during high demand periods in the summer to assist in meeting peak demands with higher quality treated water supplies, in lieu of the poorer quality groundwater. As the City begins its 2014 ASR Program, additional technical assistance is required of Consultant.

Task 1: 2012 and 2013 ASR Summary Reports

This task will include the preparation of summary reports of the operational activities at ASR Well #8 (and associated monitoring wells), laboratory sampling results, data analysis, and reporting for both the 2012 and 2013 ASR seasons. Separate summary reports will be prepared for each period.

Estimated Fee for Task 1: \$ 30,000.00

Task 2: Technical Support during Implementation of City's 2014 ASR Program

Consultant will be available to assist City staff with implementation of the 2014 ASR Program. This work will include coordination of ASR activities, field assistance as required, maintenance and downloading of data collection instrumentation at the ASR well site and associated off-site monitoring well locations.

Estimated Fee for Task 2: \$ 30,000.00

Task 3: RWQCB 2014 Annual Report

With the RWQCB's approval of the City's General ASR Permit NOI, there will be the requirement for submittal of the 2014 Annual Report. Consultant has also included some time to assist the City with responding to RWQCB questions or requests for additional data/background information, if required, up to the available budget.

Estimated Fee for Task 3: \$ 10,000.00

Task 4: Additional ASR Related Services

As requested by City staff, other ASR related technical services can be provided, up to the budgetary amount authorized by the City. Such tasks could include any of the following:

- Additional water quality sampling and testing
- Geochemical modeling
- ASR Well siting study, with particular focus in the City's Pressure Zone 2 area where the City currently has no wells
- Other groundwater or ASR related services as requested

Estimated Fee for Task 4: \$ 10,000.00

Technical Support for City's 2014 Aquifer Storage and Recovery Program



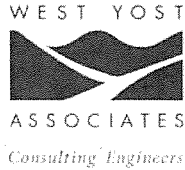
Approach and Scope of Work

TOTAL ESTIMATED FEE FOR TASKS 1 THROUGH 4: \$80,000

PROJECT PERSONNEL

West Yost shall assign the following person/persons to perform the tasks set forth in this Agreement:

- Charles Duncan (Principal in Charge);
- Gerry S. Nakano (Vice President, Authorized Representative)
- Elizabeth Drayer (Engineering Manager)
- Jim Connell (Principal Engineer)
 - Amy Kwong (Senior Engineer)
 - Irene Suroso (Senior Engineer)
 - Doug DeMaster (Senior Engineer)
 - Brian Coox (Engineer II)
 - Christine Encelan (Administrative IV);
 - Angelica Perea (Administrative III);



WEST YOST ASSOCIATES, INC.

2014 Billing Rate Schedule

Exhibit "B"

(Effective January 1, 2014 through December 31, 2014)*

Position	Labor Charges (dollars per hr)
Principal/Vice President	240
Engineering Manager	229
Principal Engineer/Scientist	207
Senior Engineer/Scientist/GIS Analyst	186
Associate Engineer/Scientist	169
GIS Analyst	164
Engineer II/Scientist II	147
Engineer I/Scientist I	126
Construction Manager III	186
Construction Manager II	169
Construction Manager I	158
Resident Inspector III	140
Resident Inspector II	129
Resident Inspector I	115
Sr. Designer/Sr. CAD Operator	120
Designer/CAD Operator	107
Technical Specialist III	120
Technical Specialist II	104
Technical Specialist I	87
Engineering Aide	71
Administrative IV	109
Administrative III	98
Administrative II	82
Administrative I	66

Hourly labor rates include Direct Costs such as general computers, system charges, telephone, fax, routine in-house copies/prints, postage, miscellaneous supplies, and other incidental project expenses.

Outside Services such as vendor reproductions, prints, shipping, and major West Yost reproduction efforts, as well as Engineering Supplies, Travel, etc. will be billed at actual cost plus 15%.

Mileage will be billed at the current Federal Rate.

Subconsultants will be billed at actual cost plus 10%.

Computers are billed at \$25 per hour for specialty models and AutoCAD.

Expert witness, research, technical review, analysis, preparation and meetings billed at 150% of standard hourly rates. Expert witness testimony and depositions billed at 200% of standard hourly rates.

A Finance Charge of 1.5% per month (an Annual Rate of 18%) on the unpaid balance will be added to invoice amounts if not paid within 45 days from the date of the invoice.

*This schedule will be updated annually.

WEST YOST ASSOCIATES, INC.
2014 Billing Rate Schedule
(Cont'd.)

(Effective January 1, 2014 through December 31, 2014)*

SURVEYING AND EQUIPMENT CHARGES

Position	Labor Charges (dollars per hr)
GPS, 3-Person	366
GPS, 2-Person	317
GPS, 1-Person	246
Survey Crew, 2-Person	268
Survey Crew, 1-Person	202

EQUIPMENT CHARGES

Equipment	Billing Rate (dollars per day)	Billing Rate (dollars per week)
DO Meter	16	81
pH Meter	5	26
Automatic Sampler	128	698
Transducer/Data Logger	40	202
Hydrant Pressure Gage	11	49
Hydrant Pressure Recorder (HPR)	—	202
Hydrant Wrench	5	32
Pitot Diffuser	29	132
Well Sounder	29	132
Ultrasonic Flow Meter	—	264
Vehicle	87	437
Velocity Meter	11	64
Water Quality Multimeter	173	946
Thickness Gage	—	70

* This schedule will be updated annually.

RESOLUTION 2014 - _____

AUTHORIZING PROFESSIONAL SERVICES AGREEMENT WITH WEST YOST & ASSOCIATES FOR 2014 AQUIFER STORAGE AND RECOVERY PROGRAM AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT

WHEREAS, In 2011, 2012 and 2013, the City of Tracy conducted a successful Aquifer Storage and Recovery (ASR) demonstration pilot project, and

WHEREAS, The Central Valley Regional Water Quality Control Board (RWQCB) staff has approved the permanent ASR program utilizing Production Well No. 8, and

WHEREAS, Professional services are required for the monitoring, testing and evaluation, and

WHEREAS, West Yost & Associates was selected for this work as part of the selection process for the Water Master Plan and ASR was specifically included in this request for proposals, and

WHEREAS, There is no impact to the General Fund; the 2014 ASR program has an estimated cost for technical services of \$80,000, and

WHEREAS, This item is budgeted in Fiscal Year 2014-2015 as CIP 75078 and there are adequate funds available;

NOW, THEREFORE, BE IT RESOLVED That City Council authorizes the Professional Services Agreement with West Yost & Associates for the 2014 Aquifer Storage and Recovery Program and authorizes the Mayor to execute the agreement.

The foregoing Resolution 2014 - _____ was adopted by the Tracy City Council on the 16th day of September, 2014, by the following vote:

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

MAYOR

ATTEST:

INTERIM CITY CLERK

AGENDA ITEM 1.J

REQUEST

APPROVE AMENDMENT NUMBER 1 TO THE MASTER PROFESSIONAL SERVICES AGREEMENT WITH SNG & ASSOCIATES, INC. FOR STAFF SUPPORT AND PLAN/MAP REVIEW SERVICES

EXECUTIVE SUMMARY

SNG & Associates, Inc., has been assisting Engineering staff in the review and processing of land development projects since April 2014. Due to current workload demands and development activities, additional services are anticipated to assist staff in providing timely review and approval of several projects that have been recently submitted or are anticipated to be submitted in the near future. This request is to approve an amendment to the Master Professional Services Agreement (MPSA) with SNG & Associates, Inc., to continue to provide staff support and plan/map review services.

DISCUSSION

On April 15, 2014, City Council approved a Master Professional Services Agreement (MPSA) in the amount of \$200,000 (Resolution 2014-055) with SNG & Associates, Inc., (SNG) for staff support and plan/map review services to Engineering staff. Current projects that SNG is assisting Engineering staff with include Cordes Ranch, Tracy Hills, Grant Line Apartments, Stringer Property, Toste Property, Tracy Lakes and Primrose subdivision.

Eight Task Orders have recently been approved or are currently being processed for assistance needed for development projects. These task orders will utilize the original funding of \$200,000 that was approved as part of the MPSA. In order to provide staff support and review services for projects recently submitted or anticipated to be submitted in the near future, additional task orders need to be approved which will require additional funding. The proposed amendment includes an additional \$500,000 bringing the total not to exceed amount of the agreement to \$700,000.

STRATEGIC PLAN

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

FISCAL IMPACT

This MPSA amendment will not impact the General Fund. The City will require upfront payment or a Cost Recovery Agreement from the project applicants through which the applicants (developers) pay consultant costs and staff time to review and process the applications.

RECOMMENDATION

Staff recommends that City Council approve Amendment Number 1 to the Master Professional Services Agreement with SNG & Associates, Inc., for staff support and plan/map review services in a not to exceed amount of \$700,000, and authorize the Mayor to execute the Amendment.

Prepared by: Criseldo Mina, Senior Civil Engineer

Reviewed by: Victoria Dion, City Engineer
Andrew Malik, Development Services Director

Approved by: Maria A. Hurtado, Assistant City Manager
Troy Brown, City Manager

ATTACHMENT

Attachment A – Amendment Number 1 to Master Professional Services Agreement

**CITY OF TRACY
AMENDMENT NO. 1 TO
MASTER PROFESSIONAL SERVICES AGREEMENT
STAFF SUPPORT AND PLAN/MAP REVIEW SERVICES**

This Amendment No. 1 (“Amendment”) to the Master Professional Services Agreement is entered into between the City of Tracy, a municipal corporation (“City”), and SNG & Associates, Inc. (Consultant).

RECITALS

- A.** The City and Consultant entered into a Master Professional Services Agreement (“Agreement”) for Staff Support and Plan/Map Review Services which was approved by the City Council on April 15, 2014, under Resolution No. 2014-055.
- B.** Several development applications and projects were submitted for review and approval in the recent months, and a significant number of new projects are anticipated to submit applications in the near future. Six Task Orders have been approved under this Agreement to-date, and it is anticipated that more Task Orders will be needed to assist staff in managing the increasing workload and in providing timely review of the projects.

NOW THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

- 1. Incorporation by Reference.** This Amendment incorporates by reference all terms set forth in the Agreement, unless specifically modified by this Amendment. The terms which are not specifically modified by this Amendment shall remain in effect.
- 2. Terms of Amendment.** Section 5, Compensation is hereby amended to change the Not to Exceed amount to \$700,000.
- 3. Modifications.** This Amendment may not be modified orally or in any manner other than by an agreement in writing signed by both parties, in accordance with the requirements of the Agreement.
- 4. Severability.** If any term of this Amendment is held invalid by a court of competent jurisdiction, the Amendment shall be construed as not containing that term, and the remainder of this Amendment shall remain in effect.
- 5. Signatures.** The individuals executing this Amendment represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Amendment. This Amendment shall inure to the benefit of and be binding upon the parties and their respective successors and assigns.

CITY OF TRACY

Amendment No. 1 to Master Professional Services Agreement

SNG & Associates, Inc.

Page 2 of 2

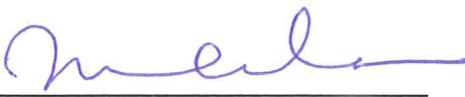
5. Signatures. The individuals executing this Amendment represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Amendment. This Amendment shall inure to the benefit of and be binding upon the parties and their respective successors and assigns.

The parties agree to the full performance of the terms set forth here.

City of Tracy


Consultant
SNG & Associates, Inc.

By: _____
Brent H. Ives
Title: Mayor
Date: _____

By: 
Nanda Gottiparthi
Title: President
Date: 9/10/2014

Attest:

By: _____
Carole Fleischmann
Title: Interim City Clerk
Date: _____

By: 
Nanda Gottiparthi
Title: Secretary
Date: 9/10/2014

Approved as to form

By: _____
Daniel G. Sodergren
Title: City Attorney
Date: _____

RESOLUTION 2014-_____

APPROVING AMENDMENT NUMBER 1 TO THE MASTER PROFESSIONAL SERVICES AGREEMENT WITH SNG & ASSOCIATES, INC., FOR STAFF SUPPORT AND PLAN/MAP REVIEW SERVICES

WHEREAS, On April 15, 2014, City Council approved a Master Professional Services Agreement (MPSA) (Resolution 2014-055) with SNG & Associates, Inc., (SNG) in the amount of \$200,000 for staff support and plan/map review services to Engineering staff, and

WHEREAS, Due to current workload demands and development activities, additional services are anticipated to assist staff in providing timely review and approval of several projects that have been recently submitted or are anticipated to be submitted in the near future, and

WHEREAS, Additional task orders need to be approved which will require additional funding, and

WHEREAS, The proposed amendment includes an additional \$500,000 bringing the total not to exceed amount of the agreement to \$700,000, and

WHEREAS, The City will require upfront payment or a Cost Recovery Agreement from the project applicants through which the applicants (developers) pay consultant costs and staff time to review and process the applications;

NOW, THEREFORE, BE IT RESOLVED, That the City Council approves Amendment Number 1 to the Master Professional Services Agreement with SNG & Associates, Inc., for staff support and plan/map review services in the amount of \$700,000 and authorizes the Mayor to execute the Amendment.

* * * * *

The foregoing Resolution 2014-_____ was passed and adopted by the Tracy City Council on the 16th day of September, 2014, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

MAYOR

INTERIM CITY CLERK

AGENDA ITEM 1.K

REQUEST

AUTHORIZATION OF LABORATORY SERVICES FOR FISCAL YEAR 2014 – 2015

EXECUTIVE SUMMARY

The Utilities Department Laboratory provides testing of water and wastewaters samples to assure compliance with State and Federal regulatory agencies. However, more complete testing is contracted out due to lack of equipment and staffing.

DISCUSSION

The City provides most of the testing of water and wastewater related samples in-house in the Utilities Department Laboratory located at the Wastewater Treatment Plant. This testing is an integral part of the spectrum of operations of the plants to ensure accuracy of the treatment process and to comply with the State and Federal regulatory agencies' requirements. For more complex testing, the City contracts out services with outside specialty laboratories.

The services provided by these contract laboratories include testing for metals, inorganic compounds and organic chemicals. The City contracts for Three-Species Bioassay testing using algae, daphnia, and rainbow trout to ensure there is no chronic toxicity in the treated wastewater. Contract laboratory services are also used to determine the amount of virus and pathogen reduction in the City's wastewater sludge.

Request for Proposal (RFP) was sent to six laboratories in June of this year. Based on the responses to the RFP and the expertise of the respondents; the following laboratories are recommended based on cost, response time, detection levels and specialty. As some of the laboratory test results are time sensitive and only a few laboratories can provide the testing due to its complexity, staff is recommending Council authorize laboratory services with those listed below:

<u>LABORATORY NAME</u>	<u>AMOUNT</u>	<u>METHODOLOGY</u>
Caltest	\$ 20,000	Inorganics/Organics
Eurofins Eaton Analytical	\$128,000	Inorganics/Organics
Alpha Analytical Laboratory	\$ 60,000	Inorganics/Organics
Sierra Foothill Laboratory	\$ 14,000	Chronic Bioassay
BioVir Laboratories, Inc.	\$ 6,000	Viruses/Pathogens Giardia/Cryptosporidium

STRATEGIC PLAN

This item is a routine operational item and does not specifically relate to City Council's Strategic Plans.

FISCAL IMPACT

There is no impact to the General Fund. Funding is available in the approved Utilities Water and Wastewater Funds budget in the amount of \$228,000.

RECOMMENDATION

That the City Council, by resolution, authorize Laboratory Services for Fiscal Year 2014 - 2015 to the recommended laboratories.

Prepared by: Erich Delmas, Laboratory Supervisor

Reviewed by: Kuldeep Sharma, Director of Utilities
Maria A. Hurtado, Assistant City Manager

Approved by: Troy Brown, City Manager

RESOLUTION 2014 - _____

AUTHORIZING LABORATORY SERVICES FOR FISCAL YEAR 2014 – 2015

WHEREAS, The City contracts for testing laboratory services that are not performed by the Utilities laboratory, and

WHEREAS, The more complex, specialized analysis is needed for compliance with State and Federal regulatory mandates for water and wastewater systems, and

WHEREAS, The services provided by the contract laboratories include testing for metals, inorganic compounds and organic chemicals, and

WHEREAS, The City contracts for Three-Species Bioassay testing using algae, daphnia, and rainbow trout to ensure there is no chronic toxicity in the treated wastewater, and

WHEREAS , The contract laboratory services are also used to determine the amount of virus and pathogen reduction in the City’s wastewater sludge, and

WHEREAS, As some of the laboratory test results are time sensitive and only a few laboratories can provide the testing due to its complexity, and

WHEREAS, A Request for Proposals was sent to six laboratories and the following laboratories are recommended based on cost, response time, and detection levels:

<u>LABORATORY NAME</u>	<u>AMOUNT</u>	<u>METHODOLOGY</u>
Caltest	\$ 20,000	Inorganics/Organics
Eurofins Eaton Analytical	\$128,000	Inorganics/Organics
Alpha Analytical Laboratory	\$ 60,000	Inorganics/Organics
Sierra Foothill Laboratory	\$ 14,000	Chronic Bioassay
BioVir Laboratories, Inc.	\$ 6,000	Viruses/Pathogens Giardia/Cryptosporidiuml;

NOW, THEREFORE, BE IT RESOLVED, That City Council hereby authorizes Laboratory Services for Fiscal Year 2014 – 2015 to the recommended laboratories.

* * * * *

The foregoing Resolution 2014-_____ was adopted by the Tracy City Council on the 16th day of September, 2014, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

MAYOR

ATTEST:

INTERIM CITY CLERK

AGENDA ITEM 1.L

REQUEST

ADOPT RESOLUTION AUTHORIZING THE MAYOR TO SIGN TERMS AND CONDITIONS OF ACCEPTING AIRPORT IMPROVEMENT PROGRAM GRANTS; EXECUTE GRANT AGREEMENT AIP #3-06-0259-016-2014 IN THE AMOUNT OF \$7,126,261 WITH FEDERAL AVIATION ADMINISTRATION FOR REIMBURSEMENT FOR ENGINEERING AND DESIGN WORK ON THE AIRPORT PAVEMENT PROJECT, RECONSTRUCTION OF RUNWAYS 12-30 AND 8-26, AND RECONSTRUCTION OF TAXIWAYS A, B, D, AND E INCLUDING RUNWAY/TAXIWAY INTERSECTIONS

EXECUTIVE SUMMARY

The City Council has directed staff to seek funding to address pavement conditions at the Tracy Municipal Airport. Council has previously approved the work on a Pavement Maintenance and Management Plan (PMMP), engineering and design of the rehabilitation of all pavements at the airport, and an updated Airport Layout Plan (ALP). The PMMP has been completed as well as the ALP. Staff has submitted grant applications to the FAA for funding for reimbursement for engineering and design work on the airport pavement project, reconstruction of runways 12-30 and 8-26, and reconstruction of taxiways A, B, D and E including runway/taxiway intersections.

DISCUSSION

The Federal Aviation Administration (FAA) classifies the City as the “sponsor” of the Tracy Municipal Airport. As an airport sponsor, the City applies for and administers airport grants and contracts. Council has already approved the City’s airport consultant to complete a PMMP, engineering and design work on the airport pavement project, and an updated ALP. The PMMP has been completed as well as the updated ALP. The pavement project has been designed, bid, and sent to FAA for review. The next phase in this project is to begin construction.

The FAA Airport Improvement Entitlement Program (AIP), currently funds approved projects at ninety percent (90%). The City is pursuing the funding in the amount of \$7,126,261 to fund a reimbursement for reimbursement for engineering and design work on the airport pavement project, reconstruction of runways 12-30 and 8-26, and reconstruction of taxiways A, B, D and E including runway/taxiway intersections.

Originally, this City was only anticipating receiving funding for the first phase of the project which was to reconstruct runway 12-30 and taxiways B, D, and E with an anticipated cost of \$5,687,297. In late July, FAA informed the City of the potential for additional funding that was available. This funding would allow the City to also construct the second phase of the project which was to reconstruct runway 8-26 and taxiway A. Doing both phases at the same time would allow for significant cost savings to the overall project, and ensure quality rehabilitation. The new total for both phases of the project is now \$7,126,261.

Council has previously approved \$513,900 toward design and engineering costs as well as construction of the first phase of the project. A total match amount of \$712,626 is needed to complete both the first and second phases of the project leaving a total of approximately \$198,726 in matching funds to be identified. This amount does not need to be identified at this time in order to execute the grant. It is anticipated that the construction of this project will not begin until Spring of 2015. Staff will bring back a proposal for the remaining matching funds as part of the mid-year budget adjustment.

STRATEGIC PLAN

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

FISCAL IMPACT

On April 2, 2013, Council approved a matching amount of \$65,900 toward the design and engineering of the reconstruction of the pavement at the airport. Additionally, \$448,000 of matching funds was appropriated by Council for the Airport Pavement Project as part of the FY13/14 budget. As part of the mid-year budget adjustment process in February 2015, staff will bring forward a General Fund supplemental appropriation of \$198,726 for the remaining matching funds. Where available the City will also seek additional 5% matching funds from Caltrans Division of Aeronautics. This will help to lower the overall matching requirement from the City.

RECOMMENDATION

That the City Council adopt a resolution authorizing the Mayor to sign Terms and Conditions of Accepting Airport Improvement Program Grants; execute grant agreements AIP No. 3-06-0259-016-2014 in the amount of \$7,126,261 with Federal Aviation Administration for reimbursement for engineering and design work on the airport pavement project, reconstruction of runways 12-30 and 8-26, and reconstruction of taxiways A, B, D and E including runway/taxiway intersections..

Prepared by: Ed Lovell, Management Analyst II

Reviewed by: David Ferguson, Director of Public Works
Jenny Haruyama, Administrative Services Director
Maria A. Hurtado, Assistant City Manager

Approved by: Troy Brown, City Manager

RESOLUTION _____

AUTHORIZING THE MAYOR TO SIGN TERMS AND CONDITIONS OF ACCEPTING AIRPORT IMPROVEMENT PROGRAM GRANTS; EXECUTE GRANT AGREEMENT AIP #3-06-0259-016-2014 IN THE AMOUNT OF \$7,126,261 WITH FEDERAL AVIATION ADMINISTRATION FOR REIMBURSEMENT FOR ENGINEERING AND DESIGN WORK ON THE AIRPORT PAVEMENT PROJECT, RECONSTRUCTION OF RUNWAYS 12-30 AND 8-26, AND RECONSTRUCTION OF TAXIWAYS A, B, D, AND E INCLUDING RUNWAY/TAXIWAY INTERSECTIONS

WHEREAS, The Federal Aviation Administration of the United States of America (FAA) classifies the City of Tracy (the "City") as the "sponsor" of the Tracy Municipal Airport and as such the City is responsible for applying for and administering airport grants and contracts, and

WHEREAS, The FAA AIP Entitlement Program currently funds approved projects at ninety percent (90%), and

WHEREAS, The City is pursuing funding in the amount of \$7,126,261 for reimbursement for engineering and design work on the airport pavement project, reconstruction of runways 12-30 and 8-26, and reconstruction of taxiways A, B, D and E including runway/taxiway intersections, and

WHEREAS, Execution of the above-mentioned grant agreement will result in an obligation of the City to provide matching funds of up to \$712,626;

NOW, THEREFORE, BE IT RESOLVED, That the City Council authorizes the Mayor to sign the Terms and Conditions of Accepting Airport Improvement Grants; execute Grant Agreement AIP#3-06-0259-016-2014 in the amount of \$7,126,261 with Federal Aviation Administration for reimbursement for engineering and design work on the airport pavement project, reconstruction of runways 12-30 and 8-26, and reconstruction of taxiways A, B, D and E including runway/taxiway intersections.

* * * * *

The foregoing Resolution _____ was adopted by Tracy City Council on the 16th day of September, 2014, by the following vote:

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

MAYOR

ATTEST:

INTERIM CITY CLERK

AGENDA ITEM 3

REQUEST

PUBLIC HEARING TO AUTHORIZE, BY IMPLEMENTING RESOLUTION, THE ADOPTION OF THE PUBLIC SAFETY AB1600 DEVELOPMENT IMPACT FEE STUDY AND UPDATED PUBLIC SAFETY FEES FOR THE CITYWIDE MASTER PLANS, NORTHEAST INDUSTRIAL PHASE 1, NORTHEAST INDUSTRIAL PHASE 2, INFILL, GATEWAY PHASE 1, ISP SOUTH, PLAN C, ELLIS, SOUTH MACARTHUR PLANNING AREA AND I-205

EXECUTIVE SUMMARY

This agenda item relates to updating development impact fees related to public facilities and public safety. The fees are being updated to reflect the development community's share of fees for a public safety telecommunications tower. The telecommunications tower was discussed at the City Council meeting of September 2, 2014.

DISCUSSION

Background

On April 16, 2013, the City adopted a Citywide Public Safety Master Plan (Resolution 2013-56). The Master Plan outlines the Public Safety improvements needed to serve the City at build-out of its sphere of influence. The Master Plan points out that, as topography of a new development areas change with the addition of buildings and population, there will be an additional need for emergency radio coverage for public safety in these areas. The Radio Tower also serves to update and improve existing communication coverage throughout the City.

On January 7, 2014, the City adopted the *Public Safety AB1600 Development Impact Fee Technical Memo* (Resolution 2014-10) that provides the basis for the Public Safety fees for all new development in the City not previously covered under an existing finance plan. These fees were established to fund the facilities identified in the Public Safety Master Plan.

Staff has been researching options to address communications coverage into new developments and has been working with the County as part of the Master Radio Communications Plan to facilitate the joint use of radio communications services for the San Joaquin Operational Area. As part of the Plan, there are goals to establish a county wide public safety digital simulcast infrastructure to serve as the building block for interoperability.

Because this new communications system will serve all existing residents and businesses as well as all new developments, the cost of this new system must be shared by both developments covered in the new master plan as well as new developments that will occur under existing finance plans. In addition, the City will

provide funding through Grants and other City funding sources to cover the cost that is associated with existing residents and businesses.

The City worked with our program manager, Harris and Associates, to develop the appropriate cost share for the tower and related equipment based on this refined understanding. The following fees were developed for all new development.

Communication Tower And Related Equipment Fee

Residential	Fee per EDU
Low-Density	\$ 67.81
Medium-Density (attached 2-4)	\$ 55.48
High-Density (attached 4+)	\$ 45.21
Commercial	Fee per 1000 SF
Office	\$ 34.25
Retail	\$ 20.55
Industrial	\$ 6.85

The City of Tracy has historically adopted a Finance and Implementation Plan (FIP) for each new specific plan area or development in the City. These finance plans are based on technical studies that were completed at the time the project comes forward and identifies the infrastructure needed to mitigate the impacts of that development. Over time the infrastructure needs change and periodically it is necessary to review and update those FIP's as regulations and requirements change.

On April 16, 2013, the "Citywide Public Safety Master Plan" was adopted by City Council. The public safety master plan evaluated current conditions; space standards and function flow; staff and space need projections; alternative facility plans and comparative cost estimates. The Public Safety Master Plan is a guideline document for the identification of public health and safety facilities needed to serve the City at build-out of the City's Sphere of Influence. The Public Safety Master Plan is also a guideline document for the identification of public health and safety upgrades needed to adapt existing spaces to new or expanded uses.

On January 7, 2014, the "Public Safety AB1600 Development Impact Fee Technical Memo" was adopted by City Council (Resolution 2014-010). The Public Safety fee established the cost per capita for new development needed to pay their fair share of necessary police and fire facilities.

As the City of Tracy expands with new developments, the current communications system does not adequately cover these new developments and in fact, there are areas in the existing City limits where communication is limited or non-existent. This leads to concerns of public health and safety for emergency service responders such as police, fire and ambulance during service calls to those areas. Staff has been researching options to address the communications coverage into the new developments. Public health and safety officers during patrol or emergency response to these areas and responsiveness to citizen calls for service will be improved.

The City and County have been working collaboratively as part of the Master Radio Communications Plan to facilitate the joint use of radio communications services for the San Joaquin Operational Area. As part of the Plan, there are goals set forth to establish a county wide public safety digital simulcast infrastructure to serve as the building block for interoperability. This infrastructure allows agencies to have public safety emergency communications in a disaster situation, and daily tactical activities to communicate on a single countywide interoperability channel.

As part of the City Wide Public Safety Master Plan adopted in 2013, estimates were provided for the cost of radio communications tower and equipment at \$2,797,000. All of this cost was listed as the responsibility of new developments. This project includes, but was not limited to, a 180-foot tower, 30-foot x 10-foot equipment shelter with connections, fencing, and a 70-foot x 34-foot foundation pad, microwave, conventional simulcast system; 2 sites, 2 channels.

Based on information now available, the estimated cost of the tower is \$3,905,000 including all associated equipment, mark-ups and land acquisition. Further analysis also indicates that since the new communication system will replace/improve the present systems, the existing residents/City must pay the fair share cost. The City asked their program manager, Harris and Associates, to develop an AB1600 fee to cover this anticipated cost and to integrate this fee into the existing master plan fees as well as the various FIP's. Harris and Associates completed the *Public Safety AB1600 Development Impact Fee Update Technical Memorandum* dated July 28, 2014. Because this system is being built in part to replace and improve the City's existing communication system as well as to expand the coverage area to include new development areas, the City must cover the fair share of the existing residents and businesses which is estimated to be \$1,274,074. Action was taken on September 2, 2014, to fund this requirement.

All new developments in the City are expected to provide their fair share of funding to cover the new tower and remaining costs of the system through the payment of development impact fees.

Citywide Public Safety Fees

The fees that were adopted on January 7, 2014, as part of the Citywide Public Safety Master Plan for new developments are decreasing by \$4.35 per single family unit due to the fact that the City will be responsible for the fair share payment of the existing residents and businesses. However, fees for existing development areas i.e., NEI, South MacArthur, etc., are increasing. Because the new system is replacing parts of the old system, the entire cost cannot be spread to new development as previously done.

The Citywide Public Safety fees apply to all new developments that are not covered under an existing finance plan. The updated fees are shown in Attachment A-1.

Developments with Existing FIP's

Developments that have existing finance plans will pay their fair share of the communication tower costs as shown in the table above. These new fees have been incorporated into the fee schedules for each specific plan or development area. New fee schedules for each of these areas are included in Attachments A-2 through A-10. This includes: North East Industrial Phase 1, North East Industrial Phase II, Infill, Gateway Phase 1, ISP South, Plan C, Ellis, South MacArthur Planning Area, and I-205.

Development Impact Fees

In preparing the development impact fees, the City has been consistent with the procedural and substantive requirements of the Mitigation Fee Act (also known as AB1600) as set forth in each of the above mentioned technical reports. The findings and conclusions are summarized in Attachment B.

Attachment A summarizes the tower fair share and updated development impact fees.

These fees will be updated on an annual basis on January 1st of each year by the Director of Development Services using the Engineering News Record (ENR) Construction Cost Index. The fees will also be subject to periodic review and update based on a review of recently completed project costs and industry trends, subject to City Council approval.

STRATEGIC PLAN

This agenda item supports objective 1.c of the Economic Development Strategic Plan in ensuring quality infrastructure to meet future development needs.

FISCAL IMPACT

Development Impact Fees are paid by the developer to fund the infrastructure improvements. The City will be required to fund their fair share of these improvements, which is the subject of a separate staff report/agenda item.

RECOMMENDATION

That City Council adopt and approve, by resolution, the Public Safety AB1600 Development Impact Fee Update and the Development Impact Fees as set forth in the following attachments:

- Attachment A-1: Citywide Fees
- Attachment A-2: Northeast Industrial Area Phase I
- Attachment A-3: Northeast Industrial Area Phase II
- Attachment A-4: Infill
- Attachment A-5: Gateway Phase 1

Attachment A-6: ISP South
Attachment A-7: Plan C
Attachment A-8: Ellis
Attachment A-9: South MacArthur Planning Area
Attachment A-10: I-205;

Prepared By: Alison Bouley, Consulting Engineer, Harris & Associates
Bill Dean, Assistant Development Services Director

Reviewed By: Andrew Malik, Development Services Director

Approved By: Maria A. Hurtado, Assistant City Manager
Troy Brown, City Manager

ATTACHMENTS

Attachment A – Impact Fee Summaries

Attachment B – Public Safety Development Impact Fee Update

Attachment A-1 Citywide Master Plan Fees

	Transportation	Water			Recycled Water	Wastewater			Parks	Public Safety	Public Facilities
		Distribution	Supply	Treatment		Treatment Plant	East Conveyance	West Conveyance			
	per unit										
Residential-Very Low Density	\$ 5,186	\$ 4,236	\$ 1,813	\$ 3,295	\$ 2,654	\$ 6,727	\$ 2,405	\$ 1,610	\$ 7,557	\$ 1,349	\$ 2,953
Residential-Low Density	\$ 5,186	\$ 4,236	\$ 1,813	\$ 3,295	\$ 2,654	\$ 6,727	\$ 2,405	\$ 1,610	\$ 7,557	\$ 1,349	\$ 2,953
Residential-Medium Density (attached 2-4)	\$ 3,164	\$ 3,050	\$ 1,305	\$ 2,372	\$ 2,282	\$ 5,504	\$ 1,968	\$ 1,317	\$ 6,183	\$ 1,103	\$ 2,416
Residential-High Density (attached 4+)	\$ 3,164	\$ 2,160	\$ 925	\$ 1,680	\$ 1,539	\$ 4,485	\$ 1,603	\$ 1,073	\$ 5,038	\$ 899	\$ 1,969
	per acre										per 1,000 sf
Commercial/Retail	\$ 158,384	\$ 17,622	\$ 7,542	\$ 13,707	\$ 14,942	\$ 29,048	\$ 10,385	\$ 6,952	\$ -	\$ 408.67	\$ 77
Office	\$ 126,334	\$ 13,216	\$ 5,657	\$ 10,280	\$ 12,182	\$ 29,048	\$ 10,385	\$ 6,952	\$ -	\$ 681.11	\$ 128
Industrial	\$ 72,243	\$ 13,216	\$ 5,657	\$ 10,280	\$ 12,182	\$ 26,908	\$ 9,620	\$ 6,440	\$ -	\$ 136.23	\$ 26

	Storm Drainage*									
	Keenan	Westside Residential	NW WSO	Larch Clover	East Side Industrial	Chrisman & East UR-1	South MacArthur and Rocha	Mtn. House	Lammers Watershed	Kagehiro and West Larch Clover**
	per du									
Residential-Very Low Density	NA	NA	NA	NA	NA	\$ 1,703	\$ 4,866	NA	\$ 1,421	\$ 613
Residential-Low Density	\$ 2,141	\$ 4,571	NA	NA	NA	\$ 1,572	\$ 4,469	NA	\$ 1,304	\$ 532
Residential-Medium Density (attached 2-4)	\$ 1,446	\$ 3,062	NA	NA	NA	\$ 1,045	\$ 2,971	NA	\$ 868	\$ 375
Residential-High Density (attached 4+)	\$ 1,293	\$ 2,732	NA	NA	NA	\$ 933	\$ 2,659	NA	\$ 777	\$ 335
	per acre									
Commercial/Retail	NA	NA	\$ 16,384	\$ 10,056	\$ 48,957	\$ 28,682	\$ 81,501	\$ 15,795	\$ 23,818	NA
Office	NA	NA	\$ 16,384	NA	NA	\$ 28,682	NA	\$ 15,795	\$ 23,818	NA
Industrial	NA	NA	\$ 16,384	NA	\$ 48,957	\$ 28,682	NA	\$ 15,795	\$ 23,818	NA

* See storm drainage breakdown for split between outfall versus program infrastructure.

**Kagehiro and West Larch Clover only pay the Westside Outfall fee. No additional program infrastructure is required by Kagehiro and the West Larch Clover area is discharged directly to the existing detention basin.

Attachment A-2

Northeast Industrial Area Phase I

Facility Categories	Fee per Light Industrial Acre
Public Buildings and Services	
General Gov't & Public Safety Facilities	\$ 3,708
Subtotal	\$ 3,708
Roadways	
Roadway Improvements	\$ 70,835
CFD 89-1	\$ 337
RSP	\$ 1,306
Subtotal	\$ 72,477
Wastewater	
Conveyance Upgrades	\$ 8,428
WWTP	\$ 28,617
CFD 89-1	\$ 1,405
Subtotal	\$ 38,450
Water	
Distribution Upgrades	\$ 5,228
Subtotal	\$ 5,228
Storm Drainage	
Upgrade	\$ 40,297
CFD 89-1	\$ 176
Subtotal	\$ 40,473
Total	\$ 160,336

Attachment A-3

Northeast Industrial Area, Phase II

Facility Categories	Fee per Light Industrial Acre	
<i>General Gov't & Public Safety Facilities</i>		
Law Enforcement Facilities	\$	149
Fire Facilities	\$	1,131
General Government Facilities	\$	1,423
Public Works Facilities	\$	250
Subtotal	\$	2,953
<i>Traffic Safety</i>		
Intersection Improvements	\$	-
Traffic Signals	\$	1,412
Subtotal	\$	1,412
<i>Streets & Highways</i>		
Roadway Widening & Upgrades	\$	59,119
Land/Easement Acquisition	\$	19,005
Reimbursement to CFD 89-1	\$	-
Reimbursement to RSP	\$	415
Subtotal	\$	78,540
<i>Wastewater</i>		
WWTP Improvements	\$	16,786
Collections System Improvements	\$	16,494
Land/Easement Acquisition		
Reimbursement to CFD 89-1	\$	1,431
Subtotal	\$	34,711
<i>Water</i>		
SCSWSP Supply Interface Facilities	\$	17,639
Distribution	\$	-
Subtotal	\$	17,639
<i>Storm Drainage</i>		
Watershed Improvements	\$	8,216
Land/Easement Acquisition	\$	40,453
Reimbursement to CFD 89-1	\$	271
Subtotal	\$	48,940
<i>Additional Services</i>		
Program Management	\$	-
Subtotal	\$	-
Total	\$	184,195

Attachment A-4

Infill

	LDR	MDR	HDR	Retail	Industrial	Office
	<i>per DU</i>			<i>per 1000 SF</i>		
Public Buildings	\$3,336	\$2,491	\$2,481	\$489	\$163	\$815
	<i>per DU</i>			<i>per acre</i>		
Streets & Traffic	\$2,700	\$2,700	\$1,296	\$50,834	\$25,781	\$35,230
Wastewater						
Corral Hollow	\$9,394	\$7,609	\$6,294	\$48,849	\$37,576	\$40,394
East Side	\$9,293	\$7,527	\$6,226	\$48,324	\$37,172	\$39,960
City Core	\$10,125	\$8,201	\$6,784	\$52,650	\$40,500	\$43,538
MacArthur	\$9,816	\$7,951	\$6,577	\$51,043	\$39,264	\$42,209
Water	\$5,850	\$4,212	\$2,984	\$24,334	\$18,251	\$18,251
Storm Drain	\$1,429	\$949	\$850	\$22,141	\$22,141	\$22,141
Parks	\$5,429	\$4,524	\$3,619	NA	NA	NA

Attachment A-5

Gateway Phase 1 Fees

	Retail^{1,2}	Office (without Deferral)²	Office (with Deferral)²	Hotel (200 room)
	per acre	<i>per acre</i>	per acre	per acre
<i>Public Buildings</i>	\$ 7,385	\$ 17,806	\$ 17,806	\$ 15,307
<i>Streets & Highways</i>	\$ 36,952	\$ 25,610	\$ 1,626	\$ 34,606
<i>Wastewater</i>	\$ 28,176	\$ 40,706	\$ 1,106	\$ 123,567
<i>Non-Potable Water</i>	\$ 35,077	\$ 50,675	\$ 6,739	\$ 153,829
<i>Water³</i>	\$ 45,382	\$ 65,563	\$ 65,563	\$ 199,022
<i>Storm</i>	\$ 9,549	\$ 9,549	\$ 4,350	\$ 5,199
<i>TOTALS</i>	\$ 162,522	\$ 209,909	\$ 97,191	\$ 531,530

(1) Cost for the Second Floor Office and Hotel (150 room) are included in the Retail land use category.

(2) Cost for The Golf Course Club House, Golf Course, and Golf Maintenance Facilities have been spread to other Phase 1 land uses. Spread is based on Percent of fees paid.

(3) Costs for Water reflect costs for Over-sizing of facilities that Gateway will need to construct upfront. Over-sizing costs may be reimbursable to the developer.

Attachment A-6

ISP South Fees

	SFDU	MFDU 2-4	MFDU 5+	Industrial	Office	Retail
	per unit	per unit	per unit	per acre	per acre	per acre
Roadways	\$ 6,645	\$ 3,189	\$ 3,189	\$ 74,620	\$ 86,714	\$ 125,120
Water	\$ 4,613	\$ 3,829	\$ 3,091	\$ 8,448	\$ 8,448	\$ 8,448
Wastewater-WWTP Fee	\$ 1,943	\$ 1,620	\$ 1,295	\$ 10,356	\$ 8,938	\$ 8,938
WW-Sewer Collection Conveyance	\$ 3,237	\$ 2,676	\$ 2,158	\$ 1,995	\$ 1,995	\$ 1,995
WW-Cheng Diversion Reimbursement	\$ 208	\$ 173	\$ 139	\$ 1,108	\$ 970	\$ 970
Storm Drainage- Zone 1/Upgrade	\$ 3,654	\$ 2,265	\$ 1,847	\$ 46,037	\$ 46,037	\$ 46,037
Storm Drainage- Zone 1/Westside Outfall	\$ 449	\$ 220	\$ 227	\$ 5,662	\$ 5,662	\$ 5,662
Storm Drainage- Zone 2/Upgrade	\$ 1,311	\$ 642	\$ 526	\$ 16,519	\$ 16,519	\$ 16,519
Storm Drainage- Zone 2/Westside Outfall	\$ 449	\$ 220	\$ 227	\$ 5,662	\$ 5,662	\$ 5,662
Parks & Recreation	\$ 7,309	\$ 6,091	\$ 4,872	\$ -	\$ -	\$ -
Public Buildings & Services	\$ 2,780	\$ 2,315	\$ 1,853	\$ 4,318	\$ 18,371	\$ 17,969

Attachment A-7

Plan C

	LDR	MDR	HDR	Retail
	per DU			<i>per acre</i>
Public Buildings	\$5,662	\$5,649	\$2,589	\$10,904
Streets & Traffic				
Northwest	\$9,717	\$4,626	\$4,626	N/A
Southwest	\$4,413	\$2,103	\$2,103	\$68,894
Southeast	\$6,615	\$3,150	\$3,150	N/A
Wastewater				
Conveyance	\$328	\$272	\$220	\$1,749
Sewer Collection				
Corral Hollow	\$774	\$645	\$516	\$3,546
East Side	\$570	\$475	\$379	\$2,610
WWTP Expansion	\$12,807	\$10,677	\$8,539	\$29,280
Water				
Edgewood ¹	\$2,109	\$1,752	\$1,410	\$2,105
Storm Drain				
Byron Zone	\$3,953	\$2,451	\$2,010	N/A
Purple Zone	\$6,642	\$4,117	\$3,375	N/A
Yellow Zone	\$5,392	\$33,343	\$2,742	N/A
Orange Zone	\$4,146	\$2,571	\$2,109	\$52,575
Blue Zone	\$6,593	\$4,087	\$4,193	N/A
Pink Zone	\$4,876	\$3,024	\$2,486	N/A
Additional Subdivision Fees for Storm Drainage				
Westgate	\$334	N/A	\$97	N/A
Huntington Park	\$138	N/A	N/A	N/A
Lyon Crossroads	\$281	N/A	N/A	N/A
San Marco	\$346	N/A	N/A	N/A
Parks	\$6,242	\$5,202	\$4,161	N/A

¹ Applies only to Edgewood Subdivision

Attachment A-8

Ellis

	Residential			Non-Residential	
	RML per unit	RMM per unit	RMH per unit	Commercial per acre	Storage per acre
Public Buildings - A (w/o Public Safety Tower and Equip.) ^{1,2,3}	\$3,479	\$2,846	\$2,319	\$2,369	\$2,369
Public Buildings - B (w/Public Safety Tower and Equip.) ^{1,2,3}	\$3,547	\$2,902	\$2,365	\$2,473	\$2,473

¹ The first Ellis Tentative Subdivision Map Condition of Approval #6, provides as follows: "In lieu of imposing the \$26,131.26 fee, Subdivider agrees to pay a fee of \$155,141.50 at Final Map approval. This accelerates the Subdivider's payment of the fee to the City. In adopting this condition of approval, neither the Subdivider nor the City waive any right or are prevented from or impaired from either seeking to impose or increase a fee or opposing the authority to impose or increase a fee."

² If Ellis meets their Communication Tower and Equipment fee obligation by paying the \$155,141.50 at the first final map, then Ellis will pay the fee labeled "Public Buildings - A"

³ If the \$155,141.50 is not paid at the time of the first final map, then Ellis will pay the fee labeled "Public Buildings - B".

Attachment A-9

South MacArthur Planning Area

	Lourence Ranch LDR per DU
Public Buildings	\$3,322
Streets & Traffic	\$8,611
Wastewater	\$11,385
Water	\$4,646
Storm Drain	\$3,855
Parks	\$5,636
Total	\$37,455

Attachment A-10

I-205

		Total	Total	Total	Total	Total	Total	Total	Total	Total
		PCL GL-2B (7)	PCL GL-6	PCL GL-8	PCL GL-15 1(A)	PCL GL-15-1(B)	PCL GL-16	PCL GL-24c	PCL M1	PCL M2
		(SC)	(GC)	(FC)	(GC)	(GC)	(SC)	(GC)	(LI)	(LI)
Gross Area		10.47	0.7	1.6	1.3	1.8	3.0	23.6	14.2	39.6
Net Area (90%)		9.42	0.6	1.4	1.2	1.6	2.7	21.2	7.7	21.4
Traffic Gen (Trips / acre)		30.25	36.50	51.84	36.50	36.50	30.25	36.50	13.10	13.10
Total Trips / Zone		284.96	21.90	72.58	43.80	58.40	81.68	773.80	100.87	280.34
E.C.U.'s /acre (San. Sewer)		6.85	5.89	16.50	5.89	5.89	6.85	5.89	6.85	6.85
Total E.C.U.'s (San. Sewer)		65	4	23	7	9	18	125	53	147
E.C.U.'s /acre (Water)		8.66	7.70	18.30	7.70	7.70	8.66	7.70	8.30	8.30
Total E.C.U.'s (Water)		82	5	26	9	12	23	163	64	178
SUMMARY OF ALL COSTS									(6)	(6)
Cost Allocations										
1.	Road Circulation	\$889,337	\$68,349	\$226,508	\$136,699	\$182,265	\$254,905	\$2,415,008	\$0	\$0
2.	Freeway Interchange	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3.	Signals	\$46,764	\$3,594	\$11,910	\$7,188	\$9,584	\$13,404	\$126,987	\$0	\$0
3a.	Intersection Mitigation	\$80,876	\$6,216	\$20,598	\$12,431	\$16,575	\$23,181	\$219,619	\$0	\$0
4.	Sub-Total Road Costs	\$1,016,976	\$78,159	\$259,017	\$156,318	\$208,424	\$291,490	\$2,761,615	\$151,113	\$419,976
5A.	Sanitary Sewer Treatment	\$184,868	\$10,125	\$66,181	\$20,250	\$26,999	\$52,988	\$357,743	\$186,111	\$517,243
5B.	Sanitary Sewer Collection	\$37,261	\$2,041	\$13,339	\$4,081	\$5,442	\$10,680	\$72,104	\$0	\$0
6A.	Water Distribution (on-site)	\$26,813	\$1,518	\$8,421	\$3,037	\$4,049	\$7,685	\$53,653	\$0	\$0
6B.	Water Distribution (off-site)	\$237,559	\$13,454	\$74,607	\$26,908	\$35,877	\$68,090	\$475,367	\$186,111	\$517,243
6C.	Water Supply (9)	(\$134,513)	(\$7,618)	(\$42,245)	(\$15,236)	(\$20,315)	(\$38,555)	(\$269,167)	(\$105,381)	(\$292,878)
6D.	Water Treatment / Storage	\$273,603	\$15,495	\$85,927	\$30,990	\$41,320	\$78,421	\$547,493	\$214,349	\$595,722
7.	Storm Drains	\$5,456	\$347	\$811	\$695	\$927	\$1,564	\$12,278	\$0	\$0
8.	Irrigation (NBID)	\$43,426	\$2,766	\$6,454	\$5,532	\$7,376	\$12,447	\$97,731	\$0	\$0
9.	Entries & Gateways (1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10.	I-205 Mini Parks	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11.	Downtown Assistance	\$6,314	\$402	\$938	\$804	\$1,072	\$1,810	\$14,209	\$5,161	\$14,343
12.	Park & Ride	\$9,445	\$602	\$1,404	\$1,203	\$1,604	\$2,707	\$21,257	\$0	\$0
13.	Air Quality	\$538	\$34	\$80	\$69	\$91	\$154	\$1,210	\$440	\$1,222
14.	Swainson Hawk	\$18,442	\$1,175	\$2,741	\$2,349	\$3,132	\$5,286	\$41,504	\$15,075	\$41,896
15A.	Fire / Public Works Capital	\$102,856	\$6,551	\$15,286	\$13,103	\$17,470	\$29,481	\$231,481	\$84,075	\$233,664
15B.	Agricultural Conversion Fee	\$1,758	\$112	\$261	\$224	\$299	\$504	\$3,957	\$1,437	\$3,994
16A.	Park Land	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16B.	Park Land Credit	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16C.	Park Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
17A.	Master Landscape Plan	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
17B.	Master Landscape Plan Credit	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18.	Public Buildings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
19.	RSP Storm Drain Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20.	I-205 Entry	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
21.	AD 84-1 Sewer Collection Fee (2)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
22.	AD 87-3 Water Distribution Fee (2)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23.	Communication Tower (10)	\$ 2,529.72	\$ 161.13	\$ 375.97	\$ 322.26	\$ 429.68	\$ 725.08	\$ 5,693.20	\$ 1,148.79	\$ -
24.	TOTAL DISTRICT DIRECT COSTS	\$1,833,330	\$125,324	\$493,598	\$250,649	\$334,198	\$525,477	\$4,428,128	\$553,527	\$1,535,182
25.	Contingency (15%) *	\$278,608	\$18,726	\$76,627	\$37,453	\$49,937	\$79,856	\$661,665	\$95,347	\$264,991
26.	Design & Construction Fees (15%) *	\$278,608	\$18,726	\$76,627	\$37,453	\$49,937	\$79,856	\$661,665	\$95,347	\$264,991
27.	TOTAL CONST., DESIGN & CONTING **	\$2,390,545	\$162,777	\$646,852	\$325,554	\$434,072	\$685,188	\$5,751,459	\$744,222	\$2,065,164
28.	Credit from CFD 91-1 Overlap (3)	(\$30,359)								
29.	Soundwall - Corral Hollow Rd @ Greenleaf	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30.	Program Management	\$78,045	\$4,971	\$11,599	\$9,942	\$13,256	\$22,370	\$175,643	\$63,795	\$177,300
31.	Credit for Land Dedication for well (8)									
32.	TOTAL NET COST	\$2,438,231	\$167,748	\$658,451	\$335,496	\$447,328	\$707,558	\$5,927,101	\$808,016	\$2,242,463
33.	TOTAL COST/NET ACRE	\$258,836	\$279,580	\$470,322	\$279,580	\$279,580	\$262,058	\$279,580	\$104,937	\$104,788
34.	TOTAL COST/SQ. FT. OF LAND	\$5.94	\$6.42	\$10.80	\$6.42	\$6.42	\$6.02	\$6.42	\$2.41	\$2.41

* Fee on construction items only (1,3,5A-6B,6D,7,8,10,12,15A).

** Includes no District formation or Bond financing costs.

(1) Item 9 funds transferred to water treatment / storage per City Council direction.

(2) AD 84-1 & 87-3 are for sewer collection fees and water distribution fees and does not include wastewater or water treatment cost participation.

(3) Credit from CFD 91-1 overlap.

(4) GL-5B is the remnant of GL-5, GL-11, and Old Naglee Road

(5) GL-27 is the remnant from the following parcels: GL-5, GL-6, GL-7, GL-9, GL-10 & GL-11.

(6) M-1 & M-2 Net Area was calculated to be approximately 55 percent of gross area due to parcels within flood plain.

(7) GL-2b has a finance plan that is subject to update with the latest spreadsheet. Parcel E (3.64 acres) has pulled a permit and was removed from the spread.

(8) \$146,780 will be paid to the redevelopment agency for the cost of the land that was used for the well near the corner of Grant Line and Naglee Road (part of GL-27)

(9) These numbers are negative due to a change between spreadsheet #42 and #43 where project funds from CIP 7514 in Water Supply were shifted to CIP 7533 under Water Distribution off-site and 7532 under Water Treatment/Storage. Remaining parcels therefore are receiving a "credit" for excess money in water supply but are paying more towards Water Distribution off-site and Water Treatment/Storage.

(10) Communication tower based on building SF. Costs shown here are costs assumed per acre based on estimated FAR. Fee is \$268.55 per 1000 sf of building for commercial/retail and \$149.19 per 1000 sf of light industrial sf of bu



Technical Memorandum

Public Safety AB1600 Development Impact Fee Update

To: Bill Dean
From: Alison Bouley
cc: Vickey Dion, Kul Sharma, and Andrew Malik
Date: July 28, 2014
Re: **City of Tracy Public Safety AB1600 Development Impact Fee Update**

PURPOSE

The purpose of this memo is to update the Public Safety Development Impact Fee specifically related to the need for a new communication tower and related communication equipment. This facility has been identified as a critical item needed to serve new developments as they move forward.

BACKGROUND

On April 16, 2013, the “Citywide Public Safety Master Plan” was adopted by City Council. The public safety master plan evaluated current conditions; space standards and function flow; staff and space need projections; alternative facility plans and comparative cost estimates. The Public Safety Master Plan is a guideline document for the identification of public health and safety facilities needed to serve the City at build-out of the City’s Sphere of Influence. The public safety master plan is also a guideline document for the identification of public health and safety upgrades needed to adapt existing spaces to new or expanded uses.

On January 7, 2014, the “Public Safety AB1600 Development Impact Fee Technical Memo” was adopted by City Council by Resolution 2014-010. The Public Safety fee, established the cost per capita for new development needed to pay their fair share of necessary police and fire facilities.

The City of Tracy has adopted the San Joaquin County Radio Master Plan, which establishes a county-wide public health and safety digital simulcast infrastructure to serve as the building block for interoperability. This infrastructure will allow all public health and safety agencies to have emergency communications in disaster situations, and support daily tactical operations. Any future sites for towers will have to comply with this Master Plan to allow for additional communication and data transport capabilities of multiple sites and will need to communicate with the already existing communications system to provide interoperability.

As the City of Tracy expands with new developments, the current communications system does not adequately cover these new developments. This leads to concerns of public health and safety for emergency service responders such as Police, Fire and Ambulance during service calls to those areas.

Staff has been researching the options to address the communications coverage into the new developments. Public health and safety officers during patrol or emergency response to these areas and responsiveness to citizen calls for service will be improved.

In response to the aggressive timeline of new developments in the City, Staff has been working on potential locations for a communications tower. In addition, staff has been working with the County of San Joaquin for greater interoperability and discussing a plan that would assist both agencies due to the expanded terrain covered by the tower. The tower would require an upgrade to the dispatch radio consoles, and portable and mobile radios that serve public health and safety.

The purpose of the tower is to expand and improve the radio communications capabilities for public health and safety. Engineering studies to define the coverage and performance will need to be completed to identify the exact location of the site of a tower and the equipment requirements.

Preliminary studies indicates that at minimum, a 180-ft tower, built as a three leg structural steel self-supported radio communications tower with a 30-ft x 10-ft equipment communications shelter with utility connections, fencing, and a 70-ft foundation pad would meet the standards established in the San Joaquin County Radio Master Plan.

As part of the City Wide Public Safety Master Plan adopted in 2013, estimates were provided for the cost of radio communications tower and equipment at \$2,797,000. This project includes but was not limited to a 180-ft tower, 30-ft x 10-ft equipment shelter with connections, fencing, and a 70-ft x 34-ft foundation pad, microwave, conventional simulcast system. 2 sites, 2 channels.

At this time, the estimated cost of the tower is \$3,905,000 including all mark-ups and land acquisition estimated to be associated with the project. This is an increase of \$1,108,000. However, due to the fact that this system is being built in part to replace the City’s existing communication system as well as to expand the coverage area to include the new development areas, the City is covering the fair share of the existing residents. This results in an overall reduction to the master plan fees.

COST ESTIMATES

Table 1 shows the tower cost estimates that were prepared based on input received from the police department.

Table 1 – Cost Estimates

Tower	\$ 600,000
Equipment/Site Work	\$ 2,990,000
Land	\$ 75,000
Mark-ups (40% of Tower)	\$ 240,000
Subtotal New Tower and Equipment	\$ 3,905,000

POPULATION PROJECTIONS

The fee is calculated based on population and employment projections. For purposes of the calculation it is assumed that a new low density residential dwelling unit has a density of 3.3 people per unit, a medium density unit is assumed to have 2.7 people per unit and a high density unit is assumed to have 2.2 people per unit. A medium density unit is defined as an attached residential unit consisting of 2-4 units and a

high density unit is defined as an attached residential unit consisting of 4+ attached units. Based on these assumptions 54,457 new residents are being generated through growth in the sphere of influence.

In addition, new employees are being added as part of commercial development. It is assumed that there is one employee per 300 square foot of building for office, one employee per 500 square foot of building for retail, and one employee per 1500 square foot for industrial. This equates to 147,145 new employees. The impact of an employee as compared to a resident is considered to be 0.5 times that of a new resident consistent with the methodology used in the existing Citywide public building study. The total number of resident equivalents is calculated using this formula and then a total number of equivalent dwelling units (EDU's) are determined. These assumptions are summarized in Table 2.

Table 2 - Population Projection

Land Use Type	Number of Units/Bldg. sf	Density (a)	Resident/Worker Projections	Resident Equivalents	Equivalent EDU's (b)	EDU Factor
Residential						
Low-Density	7,555	3.3	24,932	24,932	7,555	1
Medium-Density (attached 2-4)	7,457	2.7	20,134	20,134	6,101	0.82
High-Density (attached 4+)	4,270	2.2	9,394	9,394	2,846	0.67
Subtotal Residents			54,459	54,459	16,502	
Commercial						
Office	15,912,904	300	53,043	26,522	8,037	0.51
Retail	18,015,545	500	36,031	18,016	5,459	0.30
Industrial	87,106,932	1500	58,071	29,036	8,799	0.10
Subtotal Commercial Employees			147,145	73,573	22,295	
Total				128,032	38,797	

Because the new tower is being built in part to replace the existing communication system with new technology, the City felt that new development should not bear the entire burden of the new system. In order to determine a fair share that the City should contribute towards the communication upgrades, the City looked at their existing population and building square footage. Table 3 summarizes the existing population equivalents.

Table 3 - Existing Population

Land Use Type	Number of Units/Bldg. sf	Density (a)	Resident/Worker Projections	Resident Equivalents	EDU Factor
Residential			81548	81548	1
Commercial					
Office	191,200	300	637	319	0.51
Retail	2,791,900	500	5,584	2,792	0.30
Industrial	19,439,200	1500	12,959	6,480	0.10
Subtotal Commercial Employees			19,181	9,590	
Total				91,138	

FEE CALCULATION

The City completed an evaluation of their existing communications infrastructure. It was estimated that their current equipment is valued at \$2,409,857 however much of this equipment will be replaced when the new communication system is installed. The City reviewed the equipment list and determined that of this existing equipment, \$598,724 will continue to be used when the new system is installed.

In order to determine the cost per resident equivalent that new development should pay, the value of the existing equipment was added to the cost of the new tower. This total cost was then divided by the total estimated population at build-out of the City. This resulted in a cost per capita of \$20.55. These calculations are shown in Table 4.

Table 4 - Fee Calculation

Tower	\$ 600,000
Equipment/Site Work	\$ 2,990,000
Land	\$ 75,000
Mark-ups (40% of Tower)	\$ 240,000
Subtotal New Tower and Equipment	\$ 3,905,000
Existing Equipment	\$ 598,724
Total Cost	\$ 4,503,724
Cost per Resident Equivalent	\$ 20.55
Existing Value per Resident Equivalent	\$ 6.57
Existing Development's Differential	\$ 13.98
City's Share of Tower and Equipment	\$ 1,274,074
New Development's Share of Tower and Equipment ¹	\$ 2,630,926

¹ Includes development areas subject to Master Plan Fees as well as existing FIP areas.

The value of the existing system equates to \$6.57 per resident equivalent. This means that the City must provide an additional \$13.98 per resident equivalent. Multiplying this by the resident equivalent shown in Table 3, results in a contribution of \$1,274,074 to the project by the City to cover the share of existing residents.

The new fee of \$26.07 per resident equivalent results in a decrease of \$4.35 per single family unit from the adopted public safety fee. The revised public safety master plan fees are shown in Table 5.

Table 5 - Impact Fee Calculation

Land Use Type	Fire	Police	Shared Facilities	Total
Residential				
Low-Density	\$ 360	\$ 549	\$ 439	\$ 1,349 per unit
Medium-Density (attached 2-4)	\$ 294	\$ 450	\$ 360	\$ 1,103 per unit
High-Density (attached 4+)	\$ 240	\$ 366	\$ 293	\$ 899 per unit
Commercial				
Office	\$ 181.68	\$ 277.50	\$ 221.93	\$ 681.11 per 1000 sf
Retail	\$ 109.01	\$ 166.50	\$ 133.16	\$ 408.67 per 1000 sf
Industrial	\$ 36.34	\$ 55.50	\$ 44.39	\$ 136.23 per 1000 sf

DEVELOPMENTS WITH EXISTING FINANCE PLANS

When the population projections were made in the original master plan, the vacant land in developments with existing finance plans were included in those population projections. It was assumed that these

developments would pay their fair share of the identified improvements. In order to collect the funding needed to build the communication tower, it is necessary to collect the fair share funding from all future projects in the City. Table 7 shows the fee by land use that is being established based on the above methodology.

Table 6 – Fair Share Calculation

Land Use Type	Tower Fee
Residential	
Low-Density	\$ 67.81 per unit
Medium-Density (attached 2-4)	\$ 55.48 per unit
High-Density (attached 4+)	\$ 45.21 per unit
Commercial	
Office	\$ 34.24 per 1000 sf
Retail	\$ 20.55 per 1000 sf
Industrial	\$ 6.85 per 1000 sf

AB 1600 FINDINGS

This section proves the nexus findings for establishing a fee for a public safety communication tower which results in an increase to the Public Safety development impact fee pursuant to the **Mitigation Fee Act**, California Government Code sections 66000, et seq., AB 1600.

Description of assumptions and design criteria regarding existing level of service, including a description of the existing public safety facilities and the existing users.

The City of Tracy currently has 91,138 resident equivalents. With build-out of the sphere of influence, the City is expected to add 128,032 resident equivalents. The City currently has communication equipment valued at \$2,512,958 that serves the needs of existing residents. When the new system is integrated, only some of the equipment will continue to be used. The salvageable equipment is valued at \$598,724. New development is assumed to have an additional share of \$1,274,074 that the City will cover.

Description of assumptions regarding the type of development planned for the City of Tracy.

There are 19 service areas anticipated to develop within the City’s sphere of influence, which will include approximately 54,459 new residents at build-out and another 147,145 workers.

Description of the impacts that new development will have on the level of service to existing City residents.

As the City of Tracy expands with the developments, the current communications system does not adequately cover these new developments. The new development may also reduce the level of service to the existing City. This leads to concerns of public health and safety for emergency service responders such as Police, Fire and Ambulance during service calls to those areas. New development will pay their fair share of the new communication equipment necessary to serve it.

Description of the facilities required for the new development to meet the City’s design criteria and level of service standards

Preliminary studies indicates that at minimum, a 180-ft tower, built as a three leg structural steel self-supported radio communications tower with a 30-ft x 10-ft equipment communications shelter with utility connections, fencing, and a 70-ft foundation pad would meet the standards established in the San Joaquin County Radio Master Plan. This tower and related equipment upgrades will be funded by a combination of City funding sources and impact fees from new development.

Description of how new development will benefit from the public facilities

The new tower and communication equipment will expand and improve the radio communications capabilities for public health and safety to these new areas of the City. This will improve responsiveness to citizen calls for service and is critical for maintaining the safety of the public health and safety officers responding to these calls.

Pursuant to Government Code section 66005(a), an estimate of the total cost for providing the required public facilities necessary to support the build-out condition

New residents and employees will benefit from the facilities in this study. Table 4 contains the cost estimates for the communication tower and establishes the fair share of new development.

Description of the basis upon which the total estimated cost of providing the required public health and safety facilities will be allocated

The total estimated cost of providing the required public health and safety facilities to serve new development is allocated to new development based on a per capita basis. Employees are considered to utilize public health and safety services equal to 0.5 that of a resident which is consistent with the methodology established in the “Citywide Public Safety Master Plan” adopted on April 16, 2013 and the “Public Safety AB1600 Development Impact Fee Technical Memo” adopted on January 7, 2014. New development only pays for their fair share of the facilities which is estimated to be 67.4% of the total cost.

Findings with Respect to the Mitigation Fee Act

This sub-section provides findings which comply with the requirements of California Government Code Section 66000, et seq. The capital improvements to be funded by impact fees/fair share payments are required to mitigate the impacts of new development within the City, consistent with the land use and policies set forth by the City. The public health and safety facilities impact fees/fair share payments are not being imposed to improve or correct deficiencies in existing condition service levels. The impact fees/fair share payments are based on a fair share cost analysis which: 1) determines capital improvements required to mitigate impacts of new development, and 2) equitably distributes the costs of improvements to the new development areas that cause the impacts, per the provisions of the *Mitigation Fee Act*.

The *Mitigation Fee Act* requires mitigation fee/payment programs incorporate the following basic requirements and information relating to reasonable relationship:

- Identification of the purpose of the fee/fair share payment.
- Identification of how the fee/fair share payment will be used.
- Determination of how there is a reasonable relationship between the fees/fair share payments use the type of development projects on which the fee/fair share payment is imposed.
- Determination of how there is a reasonable relationship between the need for the public facilities and the type of development projects on which the fee/fair share payment is imposed.

- Determination of how there is a reasonable relationship between the amount of the fee/fair share payment and the cost of the public facilities (or portion of facilities) attributable to new development.

The following findings address these requirements on reasonable relationship:

1. Identify the purpose of the fee/fair share payment. The purpose of the fee/fair share payment is to provide a source of funding to be used to construct public safety facilities, specifically a new communication tower and related equipment to serve new development in the City.
2. Identify how the fee/fair share payment will be used. The impact fees/payments will be used to construct the new communication tower in order to expand the system to meet the demands of new development.
3. Determine how there is a reasonable relationship between the fees/payments use and the type of development projects on which the fee/payment is imposed. New residents and employees in the proposed developments will generate additional demand for public health and safety facilities, specifically a tower and related equipment. The establishment of fees/fair share payments to fund the facilities required to serve and mitigate the impact of new development is directly related to both residential and commercial development.
4. Determine how there is a reasonable relationship between the need for public health and safety facilities and the type of development on which the fee/fair share payment is imposed. Each new resident and employee in the City creates the need for improved communications in the City. The public health and safety impact fee/payment is based on the cost of creating new public health and safety facilities to maintain a standard level of service within the City. This fee/payment is based on a cost per capita for new developments. Commercial developments are charged based on the number of new employees anticipated to be added by the project.
5. Determine how there is a reasonable relationship between the amount of the fee/fair share payment and the cost of the public health and safety facilities attributable to new development. The estimated cost of the new tower and communication equipment has that is needed to serve new development have been prepared by the City. The Public Safety Impact Fee/fair share payments allocates the fair share of the estimated costs to new development based on resident equivalent assumptions which are based on the estimated number of people per residential unit or new employees per square foot of building for non-residential.

RESOLUTION 2014- _____

AUTHORIZING THE ADOPTION OF THE PUBLIC SAFETY AB1600 DEVELOPMENT IMPACT FEE STUDY AND UPDATED PUBLIC SAFETY FEES FOR THE CITYWIDE MASTER PLANS, NORTH EAST INDUSTRIAL AREA PHASE 1, NORTH EAST INDUSTRIAL AREA PHASE 2, PLAN C, GATEWAY PHASE 1, INFILL, ELLIS, I-205, ISP SOUTH, AND SOUTH MACARTHUR PLANNING AREA DEVELOPMENTS

WHEREAS, The City adopted the Public Safety Master Plan on April 16, 2013, by Resolution 2013-56, and

WHEREAS, The City adopted the Citywide Public Safety Fees on January 7, 2014, by Resolution 2014-10, and

WHEREAS, The City regularly updates development impact fees for various development areas in accordance with actual costs incurred or the latest construction cost estimates for public infrastructure, and

WHEREAS, The City and County have been working collaboratively as part of the Master Radio Communications Plan to facilitate the joint use of radio communications services for the San Joaquin Operational Area, and

WHEREAS, As the City of Tracy expands with new developments, the current communications system does not adequately cover these new developments, and

WHEREAS, Due to the expansion of the needed radio coverage, the City and County have identified the need to install a second, 180 foot tower and upgrade the City's existing communication equipment, and

WHEREAS, An AB1600 study has been completed which identifies the fair share of new developments by land use in the City, and

WHEREAS, In order to cover the cost of a new communication tower and related communication devices, the public building fees are being updated for the following development areas: Citywide Master Plans, North East Industrial Area Phase 1; North East Industrial Area Phase 2; Plan C Development Area; Gateway Phase 1; Infill, Ellis, I-205 ISP South and South MacArthur Planning Area, and

WHEREAS, The City will be required to fund their fair share of the tower and related equipment in the amount of \$1,274,074 which will be funded through a combination of Grants and General Fund contributions;

NOW, THEREFORE, BE IT RESOLVED, That City Council adopts the Public Safety AB1600 Development Impact Fee Study and updated Public Building Impact fees for the Citywide Master Plans, North East Industrial Area Phase 1; North East Industrial Area Phase 2; Plan C Development Area; Gateway Phase 1; Infill, Ellis, I-205, ISP South, and South MacArthur Planning Area development areas.

Resolution _____
Page 2

The foregoing Resolution _____ was adopted by the Tracy City Council on the 16TH day of September, 2014, by the following vote:

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

MAYOR

INTERIM CITY CLERK

AGENDA ITEM 4

REQUEST

RECEIVE UPDATE AND PROVIDE INPUT ON CURRENT AND FUTURE SENIOR NEEDS OF SENIOR CITIZENS IN TRACY BASED ON THE RESULTS FROM THE COMMUNITY CONVERSATIONS

EXECUTIVE SUMMARY

On May 7, 2013, Council directed staff to explore the potential formation of a Senior Advisory Commission with the goal of providing seniors with an opportunity to advise City Council on senior programming and/or issues affecting the senior population.

On July 2, 2013, staff presented to Council the various considerations in the formation of a Senior Advisory Commission as well as the staffing needs and cost associated with establishing a new Commission. Additionally, staff presented Council with alternatives that may accomplish the goal of increased senior engagement for Council discussion. Based on the report, Council directed staff to facilitate a Community Conversation meeting, and form an Ad Hoc Senior Steering Committee for the purpose of assisting with the meeting. This meeting would be facilitated by an outside consultant who would present the needs of seniors before Council and determine whether a Senior Advisory Commission is needed.

On December 9, 2013, the City hosted the Community Conversation Meetings with the assistance of a management consultant and the Senior Steering Committee who worked together, to identify and discuss current and future service needs for seniors in the Tracy community. The forum provided the opportunity for the 43 seniors and community stakeholders in attendance, to discuss the current strengths and opportunities for senior services in Tracy, the current limitations and issues affecting senior services and their future needs.

On February 4, 2014, City Council and the Parks and Community Services Commission held a joint meeting to accept and discuss the report on the current and future needs of senior citizens. Based on the findings from the Community Conversations, the management consultant and staff provided Council with recommendation in addressing senior needs. Additionally, the findings did not reveal that a Senior Advisory Commission was needed. Council directed staff to categorize the findings and assign them to the appropriate agency or City department with the responsibility of oversight being given to the Parks and Community Services Commission.

On May 1, 2014, the Parks and Community Services Commission approved the categorized findings and requested an update to be given at the November Parks and Community Services meeting.

DISCUSSION

On May 7, 2013, Council directed staff to explore the potential formation of a Senior Advisory Commission with the goal of providing seniors with an opportunity to advise City Council on senior programming and/or issues affecting the senior population. Staff

then went to the Parks and Community Services, Tracy Arts and Youth Advisory Commissions and presented the idea of forming a Senior Advisory Commission. The consensus among all three Commissions was not to form a Senior Advisory Commission. The Commission determined that the Parks and Community Services Commission's current role is to serve seniors in the Tracy community and each established Commission has senior representation.

On July 2, 2013, staff presented to Council the results from the Commission presentations and various considerations in the formation of a Senior Advisory Commission including staffing needs and costs associated with establishing a new Commission. The operating expenses associated with creating a Senior Advisory Commission are estimated at \$27,650 annually. Staff also presented Council with alternatives that may accomplish the goal of increased senior engagement for Council discussion. Based on the report, Council directed staff to facilitate a Community Conversation meeting with the public for the purpose of identifying current and future needs of seniors in the Tracy community. This meeting would be facilitated by an outside consultant with assistance from a City Council appointed Ad Hoc Senior Steering Committee.

On December 9, 2013, the City hosted the Community Conversation meetings with the assistance of a management consultant and the Senior Steering Committee. The forum provided the opportunity for the 43 seniors and community stakeholders in attendance to discuss the current strengths and opportunities for senior services in Tracy as well as discuss the current limitations and issues affecting senior services and future needs.

On February 4, 2014, City Council and the Parks and Community Services Commission held a joint meeting to accept and discuss the report on the current and future needs of senior citizens. The report included results gathered from the Community Conversation meetings. Council accepted the report and requested staff to categorize the findings, direct them to the appropriate agency or City department, and provide Council with an update on the status of addressing senior needs and concerns that were gathered from the Community Conversations. In addition, Council directed these issues to be followed up by the Parks and Community Services Commission because it falls under its purview. The Parks and Community Services Commission agreed and indicated that it would take the feedback from the report and see how the Commission can better serve seniors. Exhibit A outlines the status on staff recommended actions that address senior needs and concerns presented during the joint meeting.

On March 20, 2014, City staff from Code Enforcement, Recreation, Fire, Police and the Transportation Divisions met to discuss the findings from the Community Conversation meetings and assigned them to the appropriate City department or agency that would best address the senior issue or concern. Based on the findings, staff categorized the senior needs and concerns into eight areas: City Manager's Office/Recreation Division, City Manager's Office/Public Information Officer, Development Services, Public Works, Police Department, Administrative Services, San Joaquin Department of Aging and General Comments. Recommendations to address each senior concern or need with a target due date were established.

On May 1, 2014, staff presented to the Parks and Community Services Commission the results from the February 4, 2014 joint City Council and Parks and Community Services Commission workshop and provided recommendations to address the findings from the Community Conversations. The Commission discussed and reviewed each senior concern by category and approved staff recommendations. Additionally, the Commission requested staff to provide an update at its November monthly meeting.

Staff will continue to report to the Parks and Community Services Commission on a quarterly basis on current and future needs for seniors in the Tracy community and will continue to inform the community on how to connect with the following Commissions: Parks and Community Services, Planning, Tracy Arts and Transportation as it relates to seniors' needs. Additionally, staff will host annual Community Conversation meetings in May of each year beginning in 2015 and report back to City Council and the Parks and Community Services Commission at a joint meeting on the findings.

STRATEGIC PLAN

This agenda item supports the Council Strategic Priority Quality of Life Strategy, specifically:

Goal 1: Improve current recreation and entertainment programming & services to reflect the community and match trending demands.

FISCAL IMPACT

Discussion of this report has no impact to the General Fund at this time.

RECOMMENDATION

That City Council accept this report and provide input on the current and future needs of senior citizens in Tracy based on the results from the Community Conversations.

Prepared by: Jolene Jauregui, Recreation Services Supervisor

Reviewed by: Kim Scarlata, Division Manager II
Maria A. Hurtado, Assistant City Manager

Approved by: Maria A. Hurtado, Assistant City Manager
Troy Brown, City Manager

ATTACHMENTS

Attachment A – Current Senior Citizens Concerns and Issues

**Senior Community Conversation Meetings 2013
Current Senior Citizen Needs and Concerns**

Department: City Manager's Office / Recreation Division

Senior Concern	Recommendation	By When
Educational & Enrichment Classes for Seniors: Reading, Writing, Computers, "How to Classes", Driving School	Senior Center will seek volunteers to teach various classes. Senior Center partners with AARP to host driving course classes.	Ongoing
Seminars, Presentations & Health Fairs on various senior related issues such as: Retirement, Finance & Health	Senior Center will host bi-monthly speakers and continue to host quarterly presentations on Senior related issues.	Ongoing – August –December 2014 monthly speakers
More Trips & Senior Entertainment	Additional trips and paid entertainment requires an appropriation to the General Fund. Staff can seek volunteers to perform at the Senior Center.	Through the budget process FY 14/15 – COMPLETED - Will be added through each Activity Guide
Water Aerobics Classes	Summer 2014, YMCA will offer Senior Water Aerobics classes	June 2014 – COMPLETED
Afternoon Classes (i.e. Fitness)	Increase daily afternoon fitness classes will need an appropriation to the General Fund.	Through the budget process FY 14/15 - COMPLETED
Bingo program not supported by the City	By California law, bingo is not operated through any city's general fund or staffing. Bingo programs are supported and maintained by volunteers or a nonprofit agency.	N/A
Limited space for activities and programs at the Senior Center	Consider the Senior Center for expansion or new facility as part of the CIP process	Through the budget process
Increase in Senior Center hours Currently 9:00 a.m. to 3:00 p.m.	New proposed time 8:30 a.m. to 4:00 p.m. An appropriation to the General Fund is needed	Through the budget process FY 14/15 – COMPLETED - BEGINS 9/2/14

Attachment "A"

Resources: Computer Trade-in Program, Handyman Service, Books to Seniors	Senior Center Resource Area offers a variety of resources and services. Fall 2014 Senior Center will host a series of presentations and workshops on various resources for seniors. The Senior Center and staff continues to be the resource hub to connect seniors and their families to local and county services via email, in person, by phone or mail.	December 2014 – August –December 2014 monthly speakers
Network of services that are available in the community	Staff will create a Senior Resource Brochure with local services in the community. Staff continues to present findings to other applicable organizations and agencies to encourage the enhancement of existing senior services or implementation of new activities.	September 2014 – IN PROGRESS
Summer cultural programs need to last longer than 6 weeks (i.e. Concerts in the Parks)	Provide a list of events, Depends on budget to increase events in the Recreation and Cultural Arts Division	Ongoing
Senior representation on City Commissions	Continue to work with the following Commissions to include specific senior services related questions as part of the interview process. Below are the next term expirations when each Commission will recruit new Commissioners: <ul style="list-style-type: none"> • Parks & Community Services Commission – January 31, 2016 • Planning Commission – March 16, 2016 • Tracy Arts Commission – December 31, 2015 • Transportation Advisory Commission – April 30, 2015 	Ongoing
Forum to address senior needs and concerns and strengths of current senior programming and events.	Staff has begun planning for the Winter/Spring 2015 Recreation Activity Guide. The guide will include May 2015 Older Americans Month activities. During the month of May, the City will host a Community Conversation meeting which will be open and marketed to the entire community. The results from the Community Conversation will be presented to Parks and Community Services Commission and Council annually.	In progress

Department: City Manager's Office / Public Information Officer

Senior Concern	Recommendation	By When
Seniors feel disconnected from Community, City Council, and Department Heads. Lack of face time with City employees regarding complaints & concerns.	Presentation with handouts on how to connect with City Council, Department Heads, Commissions and employees.	December 2014 – IN PROGRESS, Scheduled for 12/8/14
Frequently directed to the internet -many seniors have no internet access, no direct link to Senior Center website from main city page	Staff can create a direct link from main city page to Senior Center page.	June 1 – COMPLETED

Department: Development Services

Senior Concern	Recommendation	By When
ADA access for people on scooters	Presentation by City Engineer on ADA requirements	December 2014 – IN PROGRESS, Scheduled for 12/8/14
Crosswalk safety & length of time for crossing	Presentation by City Engineer on crosswalk safety	December 2014 – IN PROGRESS, Scheduled for 12/8/14
Panhandlers, solicitor & safety issues	Presentation by Code Enforcement Officer at Senior Center	December 2014
Homeless: Services for homeless, Housing, Resources, Soup Kitchens, Co-ed Homeless Shelters	Co-presentation with San Joaquin County Department of Aging and Code Enforcement at Senior Center. Handouts with resources available.	December 2014
Designated senior parking citywide that is non-handicapped (Mall & Grand Theatre, etc.)	Presentation by City Planner on private vs. public parking	December 2014 – IN PROGRESS, Scheduled for 12/8/14

Attachment "A"

Disabled parking concerns, Misuse of handicap plaques and limited number of spaces near medical centers and Downtown area.	Workshop by City Planner on private vs. public parking and how the City is planning for the senior population	December 2014 – IN PROGRESS, Scheduled for 12/8/14
Limited parking around Senior Center and Community Center	Parking was expanded in 2010 to include additional parking and handicap parking behind the Police Department Annex building. Senior Center parking lot is permitted for senior use during operating hours.	COMPLETED
More senior housing: Retired living communities, Senior apartments, Low income senior housing & In-home care, More affordable assisted-living facilities, nursing homes, Lack of senior daycare/drop in centers and respite care	Presentation by City Planner on housing element required in City.	December 2014 – IN PROGRESS, Scheduled for 12/8/14

Department: Public Works

Senior Concern	Recommendation	By When
Lack of awareness on who to contact regarding: Sidewalks, Tree trimming, Neighborhood street lights, Garbage services for fall and spring clean-up and other related issues such as ADA accessibility and safety concerns.	Presentation by Public Works employees to seniors on process, who to call and provide handouts.	December 2014
Transportation: TRACER – No Sunday bus service, Lack of information regarding bus services, Inadequate routes and stops, Limitations on items that can be boarded on the bus. Not enough bike paths, Designated senior walking routes (bikes, scooter, etc.)	Concerns will be addressed with the Transportation Commission. Transportation staff will host a workshop to provide seniors with resources and handouts on bus services and discounted fees for seniors.	December 2014 – IN PROGRESS, Scheduled for 12/8/14
Water Services: Programs to help seniors maintain their yards	Presentation by Water Resource staff and handouts with programs.	December 2014
Ongoing Senior needs and Concerns to address	Staff will continue to provide the Parks & Community Services Commission quarterly reports on senior related items. Parks and Community Services Commission has purview over Senior Services and Programming	Ongoing

<p>Visibility of Parks and Community Services Commission</p>	<p>The Parks and Community Services Commission has approved one of their goals for the Fiscal Years 14/15 & 15/16 to: Look at ways to get the word out, to make the Commission more visible and accessible; to get feedback from the community; and to widen participation keeping in mind current economic trends. The Commission will accomplish this by: Increasing Commission visibility in the Senior Community, Annual Legacy Fields Update and Presentation by Commission on outreach efforts and community resources to Council, neighborhood groups, service clubs, and sports leagues.</p>	<p>Completed</p>
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Department: Police Department

Senior Concern	Recommendation	By When
<p>Safety Concerns (Phone scams, Door to Door, Online, and General Safety), Neighborhood Watch, Increase of police patrols, Quicker response time and how to handle citations and enforcement of handicap parking</p>	<p>Police Department will partner with Senior Center to host presentations and workshops with handouts.</p>	<p>November 2014 – In progress. Additionally, working with Senator Cathleen Galgiani Office to provide workshop on Senior Scam and invite other agencies. November 12, 2014</p>

Department: Administrative Services

Senior Concern	Recommendation	By When
<p>Water services: Discount for the Seniors, Grant & Scholarships</p>	<p>Information provided by the finance department will be available in the Senior Resource Brochure. Additional information displayed on City website.</p>	<p>September 2014 – COMPLETED</p>

Agency: San Joaquin Department of Aging

Senior Concern	Recommendation	By When
County Ombudsman Services & Senior Advocates 800-510-2020	Presentation by a San Joaquin County Department of Aging representative to our senior community on resources and provide handouts.	December 2014
County provided meal program: Lack of variety of food in food programs, Limited quantity of meals provided daily	Presentation by Congregate Meal Coordinator on policy, meal requirements and limited budget for the program provide by federal funds.	December 2014

General Comments

Senior Concern	Recommendation	By When
Home maintenance assistance	Resources will be included in Senior Resource Brochure	September 2014 – COMPLETED
Senior employment exchange- Use skills to help other seniors	Encourage seniors who have a specialized skill to volunteer and teach others through classes or workshops at the Senior Center.	Ongoing
Awareness on volunteer opportunities for seniors, More programs like Tracy Caregivers, Volunteer shuttle services, Senior visits	Volunteer opportunities will be included in the Senior Resource Brochure.	September 2014 – COMPLETED
Limited communication and lack of information getting to seniors about existing programs, Services, Events, Activities, Referrals, etc., Information communicated to caregivers and families of seniors	The City of Tracy's current marketing efforts include: Flyers, web based information, press releases, local newspapers, various media outlets, Recreation Activity Guide (3x year). In addition Senior Center provides daily announcements in all classes, monthly calendar of activities and events, information on 4 bulletin boards and resource area.	Completed
Information on home healthcare, Nonprofits, Resource Center, Support Groups to help educate families and seniors	Staff will create a resource brochure with local services in the community.	September 2014 – COMPLETED
Communication not consistent in the Tracy Press	Staff will continue to update Tracy Press on current and upcoming events and activities.	Ongoing

Attachment "A"

Outreach to homebound seniors	San Joaquin County Department of Aging and Senior Center Resource Area have service available for caregivers of homebound seniors. Senior Resource Brochure can be available online.	Ongoing
Businesses to provide early shopping hours and discounts for Seniors	Staff to encourage seniors to communicate request to businesses in Tracy. Economic Development staff can inform local business of senior concern.	Ongoing
Sensitivity by City towards active Tracy Senior Citizens Club, Inc. inclusions	Tracy Senior Citizens Club is not an active 501(c) 3 (nonprofit)	N/A
Visibility of unmarked scooters to vehicles	Tracy Senior Advocacy Association has purchased flags for scooters to make them more visible. Information will be provided in Senior Resource Brochure.	Ongoing
More food bank locations in south Tracy	Staff can notify various food banks in Tracy and San Joaquin County of senior concerns	July 2014 – Ongoing Staff contact San Joaquin Food Bank, staff will continue to follow up
Need more geriatric doctors in Tracy	Economic Development staff can inform medical field representatives of senior concern	Ongoing

AGENDA ITEM 5

REQUEST

RECEIVE AND DISCUSS UPDATE REGARDING THE TRACY UNIFIED SCHOOL DISTRICT (TUSD) BOARD OF TRUSTEES DECISION TO TERMINATE THE WEST HIGH SCHOOL POOL JOINT USE AGREEMENT

EXECUTIVE SUMMARY

On February 6, 2007, the City Council approved a Memorandum of Understanding (MOU) between the City of Tracy and the Tracy Unified School District (TUSD) for the development and operation of a 52 meter competition pool at West High School for a period of thirty years. Per the terms of the MOU, the City paid for 25% of the pool construction costs, 25% of the design and construction management related services, and all of the cost of the community buildings at the pool. The City also agreed to pay 25% of the ongoing operation and maintenance costs for the pool as well as contribute to a capital maintenance fund used to pay for capital costs over the life of the agreement. The MOU states that, after five years, either party may elect to terminate the agreement and delineates the pay-out amount if this option is exercised.

At the August 26, 2014 TUSD Board Meeting, TUSD Board of Trustees voted unanimously to terminate the agreement with the City. It is estimated that TUSD will pay the City a one-time pay-out amount of approximately \$1,381,124. The City has already begun preliminary work to replace the Joe Wilson pool with a new pool and expects to have that pool operational by the summer of 2016. In an effort to ensure minimal impact on the aquatic programs offered to the community, the City and TUSD are in the process of negotiating a transition plan for continued programming at the West High Pool for the summer of 2015 until such time as the Joe Wilson pool is operational in the summer of 2016.

DISCUSSION

On November 21, 2006, the City Council discussed and approved moving forward with entering into an agreement with TUSD to share the costs of building and operating a 52-meter competition pool at West High School. An MOU was approved by Council on February 6, 2007 for the development and operation of a swimming pool at West High School for a period of thirty years.

The MOU outlined both TUSD and the City's contribution towards the capital and ongoing maintenance cost to build and operate the competition pool. The City's contribution for the construction of the pool was 25% of the total cost and 25% of the design and construction management related cost, and all of the cost associated with the construction of the community buildings at the pool. The City also agreed to pay 25% of the ongoing operation and maintenance costs for the pool as well as contribute to a capital maintenance fund used to pay for capital costs over the life of the agreement. The City's capital contribution totaled \$1,556,196, the City's share of

operating and maintenance cost has been approximately \$49,000 per year, and the current balance the City has deposited in the capital maintenance fund is \$206,145.

The MOU also states that after a period of five years, either party may elect to terminate the agreement without cause. In doing so, the funds used by either party toward construction of the pool would be returned on a pro-rated basis according to the schedule outlined in the MOU. Because TUSD has elected to exercise this termination option, it is estimated that the City will receive \$1,381,124 from TUSD for the City's contribution towards the construction of the pool.

The City anticipates using the budgeted \$49,000 previously allocated for annual maintenance and operations and re-allocating it to rent the West High Pool for the summer of 2015 to continue the various classes and recreation swim. Staff anticipates that, at current rates, it will cost approximately \$24,420 to rent the pool for the summer which will require no additional general fund allocation.

Update on Transition Plan for Use of West High Pool by City during summer, 2015:

The City and TUSD representatives are currently negotiating a transition plan to ensure the planned programs and classes scheduled for summer 2015 continue with minimal impact to the community.

Key transition points to be discussed are the TUSD swim teams' use of the pool, City programming use, and community swim teams' use. On September 10, 2014, the City and TUSD representatives met to discuss various community and City programmatic needs and interest in renting West High pool at the current TUSD hourly rental rate. The rental would cover approximately 641 hours for 2015 summer swim programming to ensure a smooth transition while the Joe Wilson pool is reconstructed. The proposed programming hours include the following days and times:

- Lifeguard Training during Spring Break: April 6 to 10, 2015 from 8am to 4pm
- Programming run June 1 to August 7, 2015 (includes Classes & Rec Swim)
- Additional Rec Swim (Weekends Only):
 - August 8 & 9
 - August 15 & 16
 - August 22 & 23
 - August 29 & 30

The TUSD Superintendent and the TUSD facilities subcommittee will discuss the City's proposed schedule in the following weeks. After a transition plan is finalized and negotiated, the City will inform the users, YMCA, and other community stakeholders.

Update on Wild Rivers Negotiation and Next Steps

City staff continues to work with representatives from both Wild Rivers and Surland Communities on preliminary site layouts for a twenty acre water park facility to be included as part of the planned Ellis project, located generally along Corral Hollow Road. Staff is discussing terms of acquiring an additional four acres with Surland; the detail of

which could be included in an upcoming Development Agreement Amendment. All parties have been very focused on balancing the characteristics of a water park (ride heights, architecture, noise etc.) with the surrounding planned Ellis residential neighborhoods.

Equally important regarding the site layout has been the concept of maximizing site amenities as well as the preservation of a portion of the twenty acre site for City competition/ recreational needs. Wild Rivers earlier this year indicated that it would require twenty acres to develop its typical regional serving water park. Staff and Wild Rivers have come to a mutual understanding relative to reserving two acres of the proposed twenty acre water park for a City competition or recreational swimming pool facility. This will provide the City with flexibility in locating future competition or recreational aquatic facilities.

Wild Rivers has recently added a new financial partner to assist with the development of its Southern California locations. This new financial partner is currently looking at the Northern California/Tracy development opportunity. Staff has had several meetings with the new financial partner in an effort to familiarize it with the Northern California/Tracy market. Additional market feasibility analyses are currently being completed by Wild Rivers in an effort to fine tune pro forma financials associated with the water park, which will directly relate to maintenance and other lease terms being negotiated.

Staff will come back to Council on November 5, 2014, to preview conceptual site layouts of the twenty acre water park facilities at Ellis (including the two acre set aside land), and to review preliminary financial options related to development of the water park. Financial options may include terms related to maintenance/operations, insurance, long-term lease details, and percentage rent. It is expected that on November 5th, a final transition plan for summer aquatics programming will be negotiated with the school district as well and can be shared with the Council and the public.

STRATEGIC PLAN

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

FISCAL IMPACT

TUSD's decision to terminate the West High School Pool Joint Use Agreement will result in a payment of \$1,381,124 to the City from TUSD. Additionally, remaining funds (\$206,145) in the established capital fund for capital maintenance will be available for reprogramming. A total of \$1,587,269 will be returned to the general fund.

It is proposed that the available pool maintenance funds be reallocated to support temporary West High School pool rental expenses estimated at \$24,420 for summer 2015. Any unanticipated expenses related to the transition plan can be offset within the existing budget and remaining funds will go back to the General Fund.

RECOMMENDATION

That the City Council receive and discuss the update regarding the Tracy Unified School District's decision to terminate the West High Pool agreement.

Prepared by: Ed Lovell, Management Analyst II

Reviewed by: Maria A. Hurtado, Assistant City Manager

Approved by: Troy Brown, City Manager

AGENDA ITEM 6

REQUEST

ACCEPT CITY TREASURER ANNUAL REVIEW AND UPDATE OF CITY INVESTMENT POLICY

EXECUTIVE SUMMARY

The City Treasurer annually reviews the City of Tracy Investment Policy for compliance with all relevant State Codes governing the investment of City Funds. These policies are also monitored by the City of Tracy's investment advisors, Chandler Asset Management. After review by both the City Treasurer and Chandler Asset Management, it is recommended that the Council accept the Investment Policy with no changes.

DISCUSSION

There are no recommended changes to the City Investment Policy since the last annual review. The City and its investment advisor regularly discuss the status of the performance of its managed assets and compliance with City policy. The City's advisor and auditor have confirmed that the City is in compliance with its investment policy per policy provisions of California Government Code Section 53600 and the Tracy Municipal Code.

As a part of the Investment Policy Review and Update Report, Chandler Asset Management will present a brief overview of its investment advisory services and the City's investment portfolio.

STRATEGIC PLAN

This agenda item is consistent with the City Council's overall Strategic Priorities to have a fiscally responsible and efficiently-operated City organization that is committed to maintaining its fiscal health.

FISCAL IMPACT

Acceptance of this report has no fiscal impact on the General Fund.

RECOMMENDATION

The City Treasurer recommends that the City Council, by resolution, accept the existing City Investment Policy (Council Policy B-6) with no changes.

Prepared by: Ray McCray, City Treasurer

Reviewed by: Jenny Haruyama, Administrative Services Director
Maria A. Hurtado, Assistant City Manager

Approved by: Troy Brown, City Manager

ATTACHMENTS

Attachment A – Investment Policy

RESOLUTION 2014-___

ANNUAL REVIEW AND UPDATE OF CITY INVESTMENT POLICY

WHEREAS, The City has an adopted investment policy that provides guidance regarding investment of City funds which is consistent with the State, and

WHEREAS, The current policy is comprehensive and meets all requirements of law, and

WHEREAS, Annually the City Treasurer reviews this policy with support from its registered investment advisors for any changes that would require amendment to the investment policy, and

WHEREAS, This agenda item is consistent with the City Council's overall Strategic Priorities: to have a fiscally responsible and efficiently- operated City organization that is committed to maintaining its fiscal health;

NOW, THEREFORE, BE IT RESOLVED, That the City Council, by resolution, accept the existing City Investment Policy (Council Policy B-6) with no changes.

* * * * *

The foregoing Resolution 2014-_____ was adopted by Tracy City Council on the ___ day of _____, 2014, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

MAYOR

ATTEST

INTERIM CITY CLERK

City of Tracy

COUNCIL POLICY
(Formerly Referred to as B-6)

SUBJECT: Investment Policy

AUTHORIZATION: Resolution 93-103

EFFECTIVE DATE: April 6, 1993

I. STATEMENT OF OBJECTIVES

Temporarily idle or surplus funds of the City of Tracy shall be invested in accordance with principles of sound treasury management and in accordance with the provisions of California Government Code Section 53600 et seq., the Tracy Municipal Code, and this Investment Policy.

A. Overall Risk Profile

The basic objectives of Tracy investment program are, in order of priority:

1. Safety of invested funds;
2. Maintenance of sufficient liquidity to meet cash flow needs; and
3. Attainment of the maximum yield possible consistent with the first two objectives.

The achievement of these objectives shall be accomplished in the manner described below:

1. Safety of Invested Funds

The City shall ensure the safety of its invested idle funds by limiting credit and interest rate risk.

Credit risk is the risk of loss due to the failure of the security issuer or backer. Interest rate risk is the risk that the market value of portfolio securities will fall due to an increase in general interest rates.

- a. Credit risk will be mitigated by:
 - i. Limiting investment to the safest types of securities;
 - ii. By pre-qualifying the financial institutions with which it will be doing business;
 - iii. By diversifying the investment portfolio so that the failure of any one issuer or backer will not place an undue financial burden on the City;
 - iv. By timely monitoring all of the City's investments to anticipate and respond appropriately to a significant reduction of credit worthiness of any of the depositories.

- b. Interest rate risk will be mitigated by:
 - i. Structuring the City's portfolio so that securities mature to meet the City's cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to their maturation to meet those specific needs; and
 - ii. Investing primarily in shorter-term securities, unless it is anticipated that long-term securities can be held to maturity without jeopardizing liquidity requirements.
 - iii. Occasionally restructuring the portfolio to minimize the loss of market value and/or maximize cash flows in income.
- c. The physical security or safekeeping of the City's investments is also an important element of safety. Detailed safekeeping requirements are defined in Section III of this Policy.

2. Liquidity

The City's investment portfolio must be structured in a manner, which will provide that securities mature at the same time as cash is needed to meet anticipated demands (static liquidity). Additionally, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). The specific percentage mix of different investment instruments and maturities is described in Section II of the Policy.

3. Yield

Yield on the City's investment portfolio is of secondary importance compared to the safety and liquidity objectives described above. Investments are limited to relatively low-risk securities in anticipation of earning a fair return relative to the risk being assumed. While it may occasionally be necessary or strategically prudent for the City to sell a security prior to maturity to either meet unanticipated cash needs or to restructure the portfolio to meet the current market conditions.

B. Time Frame for Investment Decisions

The City's investment portfolio shall be structured to provide that sufficient funds from investments are available every month to meet the City's anticipated cash needs. Subject to the safety provisions outlined above, the choice of investment instruments and maturities shall be based upon an analysis of anticipated cash needs, existing and anticipated revenues, interest rate trends and specific market opportunities. The average maturity of the investment portfolio will not exceed three years, and no investment will have a maturity of more than five years from its date of purchase, including U.S. Treasury and/or its Government affiliated Agencies.

1. Definitions

- a. "Maturity" shall mean the period from the date of purchase until the final maturity date stated on the instrument.
- b. "Average maturity of the investment portfolio" shall be computed as follows:
$$\frac{\text{Sum of } \$ \times \text{ Years}}{\text{Total } \$ \text{ of portfolio}} = \text{Average maturity (years)}$$
- c. "Total dollar amount of portfolio" shall mean all monies of the City excluding proceeds from bond issues.

C. Definition of Idle or Surplus Funds

Idle or surplus funds for the purpose of this Policy are all City funds, which are available for investment at any one time, including the estimated checking account float, excepting those minimum balances required by the City's banks to compensate them for the cost of banking services. This policy also applies to the idle or surplus funds of other entities for which the City of Tracy personnel provide financial management services.

D. Limitations on Reverse Repurchase Agreements

A reverse repurchase agreement is a transaction in which the City sells securities to a counter party and agrees to repurchase the securities from the counter party at a date certain. Under no circumstances shall the City sell securities through reverse repurchase agreements for the purpose of financing the acquisition of other securities. Except as otherwise authorized by the City Council, the use of reverse repurchase agreements will be limited to those occasions where unanticipated, short-term cash requirements can be met more advantageously by initiating a reverse repurchase agreement than by selling a security into the secondary market prior to its maturity. (For example, if a specific cash requirement precedes the maturity of a security, which had been intended to meet that requirement; it may be advantageous to initiate a reverse repurchase agreement by transferring the security to a counterpart rather than selling the security into the secondary market prior to its maturity. Proceeds from the maturity of the security would then be used to close out the reverse repurchase agreement.) When such a reverse repurchase agreement is being considered it shall be reported to the City Council for Council approval.

E. Standards of Prudence and Ethics

Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. The overall portfolio shall be designed and managed with a degree of professionalism worthy of the public trust.

The standard of Prudence to be used by investment officials shall be the prudent investor (see below) and shall be applied in the context of managing an overall portfolio.

Prudent Investor Standard

When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.

II. INVESTMENT OF IDLE FUNDS

A. Eligible Securities

The City may invest temporarily idle funds through banks, securities dealers, the State Local Agency Investment Fund (LAIF), California Asset Management Plan (CAMP) and other investment instruments as designated by the California State Code.

The following table summarized the authorized investment instruments, and applicable limitations on each. Where this section specifies a percentage limitation for a particular category of investment, that percentage is applicable only at the date of purchase as per California Government Code Section 53601. Consistent with the terms of this policy, no investment is permitted which is not listed on the following table:

	<u>LOCATION</u>	<u>DOLLAR VALUE</u>	<u>MATURITY</u>
<u>CATEGORY ONE:</u>			
Local Agency Investment Fund	California	Per LAIF Limit	On Demand
California Asset Management Program	California	No Limit	On Demand
Safekeeping Services Sweep Accounts	Banks	Per Investment Type	On Demand
US Treasury Issues	-----	No Limit	NTE 5 Yrs
US Government Agency Debenture Issues	-----	Per State Code	NTE 5 Yrs
Insured Deposits Banks	California	Per State Code	On Demand

CATEGORY TWO:

Repurchase Agreements	Banks and Dealers	No Limit	NTE 1 Year
Reverse Repurchase	Banks and Dealers	NTE 20%	NTE 92 days
Certificates of Deposit	Banks in California	30% Portfolio	NTE 1 Year

CATEGORY THREE:

Bankers Acceptances (1)	Domestic US Foreign	30% Portfolio	NTE 6 Mo
Commercial Paper	Domestic US	Per State Code	NTE 9 Mo
Negotiable CDs	Domestic US	Per State Code	NTE 18 Mo
Municipal Securities	Domestic US	30% Portfolio	NTE 5 Yrs
Med Tern Corp Notes	Domestic US	30% Portfolio	NTE 5 Yrs
Money Market Funds	Domestic US	20% Portfolio	On Demand

CODE REFERENCES

STATE GOV'T CODE#

FOOTNOTES

US Treasury & Agencies	53601(b),(f)	(1) Must be dollar denominated
Bankers Acceptance	53601(g)	(2) Money Market funds must be comprised of eligible securities permitted under this policy.
Commercial Paper	53601(h)	
Certificate of Deposits	53638	
Negotiable CDs	53601(i)	
Repurchase Agreements	53601(j) (1), (2)	
Reverse Repo Agreements	53601(j) (3)	
Medium Term Corp Notes	53601(k)	
Money Market Funds	53601(m to o)(2)	
Municipal Securities	53601 (a)	
LAIF	16429(l)	
CAMP	53601(p)	
Active Deposits	53632(b), (c)	

No more than 10% of the total portfolio shall be invested in the issuances of any single institution other than securities issued by the U.S. Government, its affiliated agencies, LAIF and CAMP.

B. Qualification of Brokers, Dealers and Financial Institutions

Aside from LAIF, CAMP, insured deposits, and U.S. Treasury and Government Agency issues, investments shall be placed only in those instruments and institutions rated favorably by a nationally recognized statistical-rating organization (NRSRO). For Banker's Acceptances, domestic depositories shall be limited to banks rated "b" or better, and selected major California banks rated "c" or better. Foreign Bankers Acceptances shall be limited to depositories rated 1/11 or better (the equivalent of an A/B domestic rating) and must be dollar-denominated instruments. An information log containing the type of collateral in the acceptance shall be maintained. Negotiable Certificates of Deposit shall be issued by a nationally or state-chartered bank, a savings association or a federal association, a state or federal credit union, or by a state-licensed branch of a foreign bank, provided that the senior debt obligations of the issuing institution are rated A or better by a NRSRO. For Time Deposits over \$250,000, depositories shall be limited to California State banks and financial institutions that have received a minimum overall satisfactory rating for meeting the credit needs of California Communities in its most recent evaluation. Except for insured deposits in California banks, City investment transactions will be conducted only with institutions meeting the tests described above, and/or with dealers from the list of Government Security dealers reporting to the Market Reports Division of the Federal Reserve Bank of New York (Exhibit A) and/or with dealers from the list of Commercial Paper dealers reporting to the Market Reports Division of the Federal Reserve Bank of New York (Exhibit B). Except for investment in Banker's Acceptances and Negotiable Certificates of Deposit, the City will limit its investments in banks to those institutions maintaining offices in the State of California.

The California Government Code restricts cities to investing in commercial paper of the highest rankings provided for by a NRSRO. The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (1) or paragraph (2):

1. The entity meets the following criteria: (i) Is organized and operating in the United States as a general corporation. (ii) Has total assets in excess of five hundred million dollars (\$500,000,000). (iii) Has debt other than commercial paper, if any, that is rated "A" or higher by a nationally recognized statistical-rating organization.
2. The entity meets the following criteria: (i) Is organized within the United States as a special purpose corporation, trust, or limited liability company. (ii) Has program wide credit enhancements including, but not limited to, over collateralization, letters of credit, or surety bond. (iii) Has commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized statistical-rating organization.

The City may not hold more than 5% of an issuing corporation's commercial paper.

The California Government Code restricts cities to investing in medium term corporate notes of a maximum of five years maturity issued by corporations operating within the United States. Securities eligible for investment must be

rated A or better by two of the three largest nationally recognized services. Medium-term corporate notes may not exceed 30% of the City's portfolio.

C. Collateralization Requirements

Uninsured time deposits with banks shall be collateralized in the manner prescribed by law for depositories accepting municipal investment funds.

D. Pre-formatted Wire Transfers

Wherever possible, the City will use pre-formatted wire transfers to restrict the transfer of funds to pre-authorized accounts only. When transferring funds to an account not previously approved, the bank is required to call bank a second employee for confirmation that the transfer is authorized.

E. Requirement for Financial Statements

Each bank, and security dealer, otherwise qualified under the provisions of this policy, who wishes to do business with the City shall submit a copy of its latest financial statement to the City including a balance sheet and profit and loss statement. If the security dealer is a private partnership registered with the SEC, the following shall be required in lieu of a profit and loss statement: 1) disclosure of its excess net capital in the notes to the statement of financial condition, and 2) a separate letter from its CPA firm attesting to the fact that Rule 15c 3-1 has been complied with and the dealer's internal systems and controls have no material inadequacies.

After a review of the financial statement and all other relevant information, the City will determine whether a service agreement should be executed with the institution based on the standards outlined in this Policy. The City requires that an agreement for services be executed prior to entrusting its funds to any dealer or financial institution, and that up-to-date financial statements be sent to the City Treasurer.

F. Notice to Dealers

The City Treasurer shall annually send a copy of the current edition of this Investment Policy to all institutions, which are approved to handle City of Tracy investments. Receipt of the Policy, including confirmation that it has been reviewed by persons handling the City's account, shall be acknowledged in writing within thirty days.

G. Requirements for Repurchase Agreements

A repurchase agreement is a transaction in which a counterpart agrees to transfer to the City securities or financial instruments in exchange for funds with a simultaneous agreement by the City to resell the securities to the counterpart at a date certain. In such cases, the transferred securities shall be U.S. Treasury or Government Agency issues whose market value at the time of transfer is equal to at least 102% of the repurchase agreement's face value. For other than

overnight investments, the securities transferred shall be marked to market on a daily basis and maintained at an amount equal to at least 102% of the repurchase agreement's face value. The market value of the transferred securities may be required to exceed the repurchase agreement's face value by an amount, which is expected to protect against a sudden decrease in the market value of the transferred securities.

The types of securities to be accepted as transferred securities in repurchase agreements in which the City is the buyer shall be limited to the types of eligible U.S. Treasury or Government Agency issues described in Sections II.A and II.B. The maturities of transferred securities shall not be limited as described in Section II.A. Substitutions or transferred securities may not be made without prior approval by the City.

III. SAFEKEEPING OF SECURITIES

A. *Safekeeping Agreement*

Securities purchased from Brokers/Dealers shall be held in third party safekeeping by the trust department of the local agency's bank or other designated third party trust, in local agency's name and control, whenever possible. The City may contract with a bank or banks for the safekeeping of marketable securities, which are transferred to the City under the terms of repurchase agreements.

B. *Handling of City-Owned Marketable Securities & Time Deposit Collateral*

All marketable securities owned by the City shall be held by its safekeeping agent, except the collateral for time deposits in banks. The collateral for time deposits is held by the Federal Home Loan Bank. The collateral for time deposits in banks is held in the City's name in the bank's trust department or with its correspondent bank (if a safekeeping agreement has been executed) or, alternatively, in the San Francisco Federal Reserve Bank.

C. *Handling of Repurchase Agreement Securities*

The securities transferred to the City under the terms of repurchase agreements with banks may be held in the issuing bank's trust department, provided that a master trust agreement has been executed insuring fiduciary separation of these assets from other bank assets. The securities transferred to the City under the terms of repurchase agreements with dealers must be delivered to a third-party custodian with whom the City has established a safekeeping agreement.

IV. STRUCTURE AND RESPONSIBILITY

This section of the Investment Policy defines the overall structure of the investment management program.

A. *Responsibilities of the City Treasurer*

The City Treasurer is charged by law with responsibility for the deposit and investment of City funds, which come into his hands in accordance with principles of sound treasury management and in accordance with applicable laws and ordinances, and the development of procedures to implement this investment policy. He is responsible to keep the City Council fully advised as to the financial condition of the City Treasury.

Security Transfers

The authorization to release City securities will be telephoned to the appropriate bank by the Treasurer. A written confirmation outlining details for the transaction and confirming the telephoned instructions will be sent to the bank within five (5) working days.

B. *Responsibilities of the Finance and Administrative Services Director*

The City Finance and Administrative Services Director is responsible for the fiscal procedures of the City. A review of the City's investment program is a part of the responsibility described above.

C. *Verification of Security*

Securities transferred to the City under the terms of repurchase agreements and collateral securing time deposits, which are being held in safekeeping for the City, will be verified in writing and examined on a surprise basis during the year. Verification of transferred securities and time deposit collateral will be part of the City's annual independent audit.

D. *Responsibilities of the City Council*

The City Council shall consider and adopt, by resolution, an investment policy. As provided in that Policy, the Council shall receive, review, and accept monthly Investment Reports.

V. REPORTING

The City Treasurer shall prepare a monthly Investment Report within 45 days after the close of the month, including a succinct management summary that provides a clear picture of the status of the current investment portfolio and significant transactions made over the past month. This management summary will be prepared in a manner, which

will allow the City Manager and City Council to ascertain whether investment activities during the reporting period have deviated from the City's Investment Policy.

A monthly Investment Report will include the following:

- A. Trend of average portfolio maturity;
- B. Maturity aging by type of investment;
- C. Percentage mix of portfolio by type of investment, including a listing of individual securities held at the end of the reporting month;
- D. A statement that the portfolio investments comply with all State and Federal laws and are in compliance with this policy. Any prior violations which have not been corrected must be so identified;
- E. Trend of rate of return on investments;
- F. Unrealized gains or losses resulting from appreciation or depreciation in the market value of securities;
- G. Interest cost and interest earnings from reverse repurchase agreement transactions;
- H. All investment transactions occurring during the month whether or not the transaction has been fully settled; and
- I. As per State applicable laws, demonstrate current market position of all marketable securities.

The following can be found on file in the City Treasurer's office:

- A. Realized trading gains and losses and interest received on trading activity;
- B. Aggregate commitments to purchase securities or make other payments to dealers in a manner to permit adequate cash need forecasting;
- C. A description of the current investment strategy and the assumptions upon which it is based;
- D. Average rate of return on reporting month's purchases;
- E. Average rate of return on reporting month's sales and/or maturities;
- F. Distribution reports by bank and broker/dealer; and
- G. Cash management projections;

VI. REVIEW OF INVESTMENT MANAGEMENT

A. *Policy Exceptions*

There shall be no exceptions to the prescribed limits and obligations of this policy.

B. *Investment Review*

The City Council, by Resolution No. 95-087, has established an Investment Review Committee. This Committee, composed of two City Council Members, the City Treasurer, the City Manager, and the Finance and Administrative Services Director shall meet not less than quarterly to review the City Treasurer's report and investment activities.

C. Policy Review

This Investment Policy shall be reviewed annually to ensure its consistency with respect to the overall objectives of safety, liquidity and yield, and its relevance to current laws and financial trends. Proposed amendments to the Policy shall be prepared by the City Treasurer, and after review and approval by the City Manager, shall be forwarded to the City Council for consideration and approval.

VII. INVESTMENT OF PROCEEDS OF DEBT ISSUANCE

The following section governs the investment of proceeds from debt issuance. Investments can be made in accordance with this policy when not in conflict with applicable provisions of a particular debt financing.

“Permitted Investments” means any of the following, which at the time of investment are legal investments under the laws of the State for the monies proposed to be invested therein:

- A. Direct obligations (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America), or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America;
- B. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises rated “AAA” by an NRSRO.
- C. Interest-bearing demand or time deposits (including certificates of deposit, and bank investment contracts whether negotiable or non-negotiable) in federal or state chartered savings and loan associations or in national or State banks (including the Trustee) provided that either: (a) the obligations of such association or bank or the obligations of the holding company of such association or bank are rated in one of the three highest rating categories by a NRSRO; or (b) such deposits are fully insured by the Federal Deposit Insurance Corporation, provided, however, that the portion of any certificates of deposit in excess of the amount insured by the Federal Deposit Insurance Corporation, if any, shall be secured at all times in the manner provided by law by collateral security having market value not less than the amount of such excess, consisting of securities described in this section, items (1) through (4);
- D. Investment agreements, guaranteed investment contracts, funding agreements, or any other form of corporate note representing the unconditional obligations of entities; (a) the unsecured long-term debt obligations or claims-paying ability ratings of which are rated in the top three rating categories by a NRSRO, or (b) the short-term debt obligation rated in the two highest categories of either of such rating agencies;
- E. Repurchase agreements with financial institutions insured by the FDIC or FSLIC, or any broker-dealer with “retail customers” which falls under the jurisdiction of the Securities Investors Protection Corporation (SIPC), provided that: (a) the

over-collateralization is at one hundred two percent (102%), computed weekly, consisting of such securities as described in this section, items (1) through (4); (b) a third party custodian, the Trustee or the Federal Reserve Bank shall have possession of such obligations; © the Trustee shall have perfected a first priority security interest in such obligations; and (d) failure to maintain the requisite collateral percentage will require the Trustee to liquidate the collateral;

- F. Money Market Mutual Funds registered with the Securities and Exchange Commission and rated in the highest category by a NRSRO;
- G. Tax-exempt obligations rated in either of the two highest rating categories by a NRSRO, including money market funds so rated;
- H. Deposits in the Local Agency Investment Fund (LAIF) referred to in Section 16429.1 of the Government Code of the State;
- I. Deposits in the California Asset Management Plan (CAMP) referred to in the JPA Investment, approved by Resolution No. 98-104, of the Tracy City Council on April 7, 1998.
- J. In the event the issue becomes credit enhanced, the foregoing permitted investments must be approved by the credit enhancement agency. In addition, the permitted investments may be expanded to include any other investments approved by the credit enhancement agency.

Amended by: Resolution 93-103 - 4/6/93
Resolution 94-228 - 7/19/94
Resolution 95-132 - 5/2/95
Resolution 97-354 - 10/21/97
Resolution 98-190 - 6/16/98
Resolution 99-343 - 9/7/99
Resolution 2000-351 - 8/15/00
Resolution 2001-360 - 10/2/01
Resolution 2002-236 - 8/6/02
Resolution 2004-209 - 7/6/04
Revised by Resolution 2005-300 - 12/6/05
Resolution 2007-002 - 1/2/07
Revised by Resolution 2009-036 - 3/3/09
Resolution 2011-105 - 6/7/11
Resolution 2012-093 - 6/5/11

AGENDA ITEM 7

REQUEST

AUTHORIZE AND DIRECT THE CITY MANAGER TO SIGN THE PETITION OF SUPPORT AND CAST A BALLOT IN SUPPORT OF THE RENEWAL OF THE DOWNTOWN TRACY COMMUNITY BENEFIT DISTRICT AND ADOPT A RESOLUTION OF INTENT

EXECUTIVE SUMMARY

The City desires to renew the Downtown Business Improvement area pursuant to the Property and Business Improvement District Law of 1994. This support will require the City to sign a petition of support and adopt a Resolution of Intent declaring the City's intention to renew a property and business improvement district known as the "Downtown Tracy Community Benefit District". The City will also need to authorize the City Manager to cast a ballot in support of the renewal of the Community Benefit District (PBID), based upon the City's ownership of parcels within the boundaries of the renewed district.

DISCUSSION

The California State legislature enacted the Property and Business Improvement District Law of 1994 (California Streets and Highways Code – Sections 36600 to 36671), which authorizes cities to levy assessments within a business improvement area. In December 2009, property owners in Downtown Tracy voted overwhelmingly to fund special benefit services through a self-assessment, with the goal of jumpstarting and expediting the revitalization of Downtown Tracy. At the time, the economy was experiencing one of the most severe recessions in 70 years and Tracy was one of the few cities statewide to take on such an initiative.

Pursuant to State Law, these new Property Improvement Districts, called Community Benefit Districts, have a maximum first term of just five years. The Downtown Tracy Community Benefit District (the "CBD") was approved in December 2009 and subsequently the Tracy City Center Association (TCCA) was formed to oversee the operations of the CBD. TCCA has done an excellent job at highlighting and activating the great assets of Downtown Tracy and has successfully attracted a number of new restaurants and retailers to the downtown area.

With the Downtown Tracy Community Benefit District set to expire in 2015, TCCA contracted with New City America, a consulting company that has formed over 70 similar districts nationwide, to initiate the steps for renewal of the CBD. Without renewal of the CBD, the momentum and achievements of TCCA come to an abrupt halt.

TCCA is proposing to renew the CBD for a ten-year term, as allowed under the Property and Business Improvement District Law of 1994 (California Streets and Highways Code – Section 36600 et seq.), and to expand the boundaries of the renewed district to include the portion of Central Avenue between 11th Street and Grunauer Alley, as

indicated on the attached map (Attachment A). The assessments, costs and methodology will remain exactly the same as originally adopted in 2009.

The City of Tracy is the fee owner of Assessor's Parcel Numbers 235-056-15, 235-067-01, 235-067-02, 235-068-06, 235-068-09, 235-068-17, 235-150-28, located within the proposed CBD renewal area. The Property and Business Improvement District Law of 1994 requires that potentially affected property owners in the proposed district, who will collectively pay more than 50 percent of the assessments proposed to be levied, sign a petition to renew the district pursuant to Section 36621 of the California Streets and Highways Code.

New City America representatives sent petitions to all potentially affected property owners, including the City, around July 28, 2014. The petitions were sent consistent with the requirements outlined in Section 36621 of the California Streets and Highways Code (See Attachment B).

Section 36622 of the Streets and Highway Code requires that a management district plan be created as part of the formation of a district and must contain the following:

- a) A map of the district in sufficient detail to locate each parcel of property;
- b) The name of the proposed district;
- c) A description of the boundaries of the district;
- d) The improvements and activities proposed for each year of operation of the district and the maximum cost thereof;
- e) The total annual amount proposed to be expended for improvements, maintenance and operations, and debt service in each year of operation of the district;
- f) The proposed source or sources of financing including the proposed method and basis of levying the assessment;
- g) The time and manner of collecting the assessments;
- h) The specific number of years in which assessments will be levied;
- i) The proposed time for implementation and completion of the management district plan;
- j) Any proposed rules and regulations to be applicable to the district; and
- k) A list of properties to be assessed.

The Downtown Tracy Community Benefit District Management District Plan contains all of the required information.

The collective amount of the proposed assessments to be levied on City-owned properties is \$24,359.30. The collective total amount of the assessments for the entire proposed Downtown Tracy Community Benefit District is \$148,064. The City's weighted portion is approximately 16% of the total. Three factors are considered to determine the weighted vote which include; lot square footage, building square footage, and linear frontage.

The Downtown Tracy Community Benefit District Management District Plan, as agreed to by the TCCA Board of Directors, includes the following categories and corresponding percentage of funds allocated to the identified categories:

- District Identity & Business Attraction (46%)
- Sidewalk Operations and Beautification (20%)
- Administration/Corporate Operations (30%)
- Contingency – Parking Lot Maintenance (4%)

The City cannot revitalize Downtown Tracy on its own. The engagement of property owners and merchants is critical to the success of Downtown Tracy. Over the past five years, the TCCA has made an immense impact on the revitalization of the downtown area. Property owners, who were once non-participatory, are now Board Members and play an active role in the revitalization taking place in downtown. The proposed \$148,064 annual budget will allow for the continuation of improvements and activities which confer special benefits in favor of the downtown property owners and businesses. Staff recommends that the City Council support the renewal of the Downtown Tracy Community Benefit District.

Pursuant to Section 36621 of the Streets and Highway Code, upon submission of written petitions, signed by the property owners in the proposed district who will pay more than fifty percent of the assessments proposed to be levied, the City Council may initiate proceedings to renew a district by the adoption of a resolution expressing its intention to renew a district. With the City's support, the 50 percent threshold has been met. The resolution of intention shall contain all of the following:

- (1) A brief description of the proposed activities and improvements, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property or businesses within the district, a statement as to whether bonds will be issued, and a description of the exterior boundaries of the proposed district. The descriptions and statements do not need to be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements and activities and the location and extent of the proposed district.
- (2) A time and place for a public hearing on the establishment of the property and business improvement district and the levy of assessments, which shall be consistent with the requirements of Section 36623 which requires that the notice, protest, and hearing procedure shall comply with Section 53753 of the Government Code.

A resolution of intention has been prepared pursuant to Section 36621 of the Streets and Highway Code and is attached to this staff report (Attachment C). Further, upon adoption of the resolution of intent, staff will comply with Section 36623 of the Street and Highway Code and Section 53753 of the Government Code regarding the notice, protest, and hearing procedure.

STRATEGIC PLAN

This agenda item supports the Economic Development Strategic Plan's goal of attracting retail and entertainment uses that offer resident's quality dining, shopping, and entertainment experiences, and specifically implements the following Objective:

Objective 2c: Collaborate with and support the Tracy City Center Association (TCCA) in an effort to increase the drawing power of Downtown.

FISCAL IMPACT

The recommended action does not result in a fiscal impact at this time. If the Downtown Tracy Community Benefit District does get renewed, it will result in a fiscal impact of \$24,359.30 to the General Fund for FY2015-16.

RECOMMENDATION

Authorize and direct the City Manager to sign the City Petition and cast a ballot in support of the CBD Renewal on behalf of the City owned properties and adopt the Resolution of Intention.

Prepared by: Amie Mendes, Economic Development Analyst

Reviewed by: Andrew Malik, Development Services Director

Approved by: Maria A. Hurtado, Assistant City Manager
Troy Brown, City Manager

ATTACHMENTS

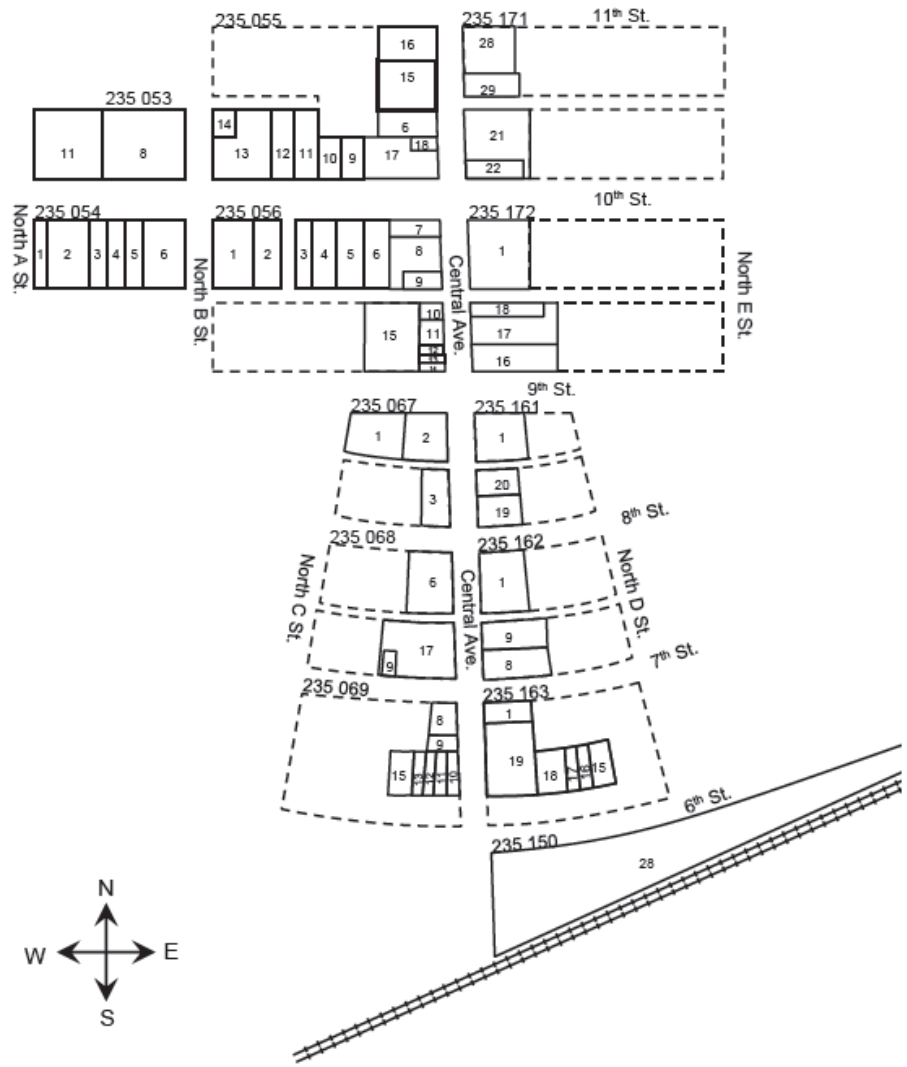
A -- Proposed District Boundary Map

B – Petition

C – Resolution of Intention

Downtown Tracy C.B.D. Boundaries

Surrounding Boundaries
(Not included in district)



PETITION TO ESTABLISH THE DOWNTOWN TRACY COMMUNITY BENEFIT DISTRICT

Pursuant to Section 36600 *Et Seq.* of the California Streets and Highways Code, Division 6, Chapter 9, Sections 6.600 to 6.620

Legal Owner: CITY OF TRACY

Owner % of Total Assessment: 16.45%

<u>APN</u>	<u>Site Address</u>		<u>Benefit Zone</u>	<u>Proposed Assessment</u>	<u>Percent</u>
235 056 15	15	W 9TH ST	1	\$2,060.88	1.39%
235 067 01	835	N CENTRAL AVE	1	\$3,386.41	2.29%
235 067 02	885	N CENTRAL AVE	1	\$2,707.51	1.83%
235 068 06	729	N CENTRAL AVE	1	\$3,166.92	2.14%
235 068 09	25	W 7TH ST	1	\$391.95	0.26%
235 068 17	713	N CENTRAL AVE	1	\$6,454.66	4.36%
235 150 28	50	E SIXTH ST	1	\$6,190.97	4.18%
				TOTAL:	\$24,359.30

_____ Yes, I endorse the Management District Plan for 2015.

Property Owner's Name (Please Print or Type)

Property Owner's Signature

or

Duly Authorized Representative's Signature

Date

Date

Title (Please Print or Type)

PLEASE SIGN AND RETURN BY SEPTEMBER 5, 2014

Please scan and email to mail@newcityamerica.com or fax to 619-239-7105

and

mail original to: New City America, Inc.
Downtown Tracy CBD Steering Committee
710 West Ivy St. San Diego, CA 92101

RESOLUTION _____

AUTHORIZING AND DIRECTING THE CITY MANAGER TO SIGN THE PETITION OF SUPPORT TO RENEW THE DOWNTOWN TRACY COMMUNITY BENEFIT DISTRICT

WHEREAS, The California State legislature enacted the Property and Business Improvement District Law of 1994 (California Streets and Highways Code – Sections 36600 to 36671), that authorizes cities to levy assessments within a business improvement area, and

WHEREAS, In December 2009, property owners in Downtown Tracy voted overwhelmingly to fund special benefit services pursuant to this State law through a self-assessment known as the Downtown Tracy Community Benefit District, which is set to expire in 2015, and

WHEREAS, New City America, Inc. (the “Consultant”) was retained by the Tracy City Center Association to renew the Downtown Tracy Community Benefit District for a 10-year term as allowed under Section 33622(h) of the California Streets and Highways Code, and

WHEREAS, The City is the fee owner of Assessor’s Parcel Numbers, 235-056-15, 235-067-01, 235-067-02, 235-068-06, 235-068-09, 235-068-17, 235-150-28 (collectively, the “Downtown City Properties”) located within the business improvement area of the Downtown Tracy Community Benefit District, which is shown on Exhibit A, attached hereto and incorporated herein by this reference, and

WHEREAS, Section 36621 of the California Streets and Highways Code requires that potentially affected property owners in the proposed district that will collectively pay more than 50 percent of the assessment proposed to be levied, sign a petition to establish the renewed district, and

WHEREAS, The Consultant sent petitions to the property owners in the Downtown Tracy Community Benefit District pursuant to Section 36621 of the California Streets and Highways Code, as shown in Exhibit B (the “City Petition”), attached hereto and incorporated herein by this reference, and

WHEREAS, The City Petition shows the collective amount of the proposed assessments to be levied on the Downtown City Properties will be \$24,359.30, and

WHEREAS, The City desires to support the renewal of the Downtown Tracy Community Benefit District;

NOW THEREFORE, BE IT RESOLVED, That the City Council authorizes and directs the City Manager to sign the City Petition on behalf of the City in support of the renewal of the Downtown Tracy Community Benefit District for a 10-year term.

* * * * *

The foregoing Resolution _____ was passed and adopted by the Tracy City Council on the 16TH day of September, 2014, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

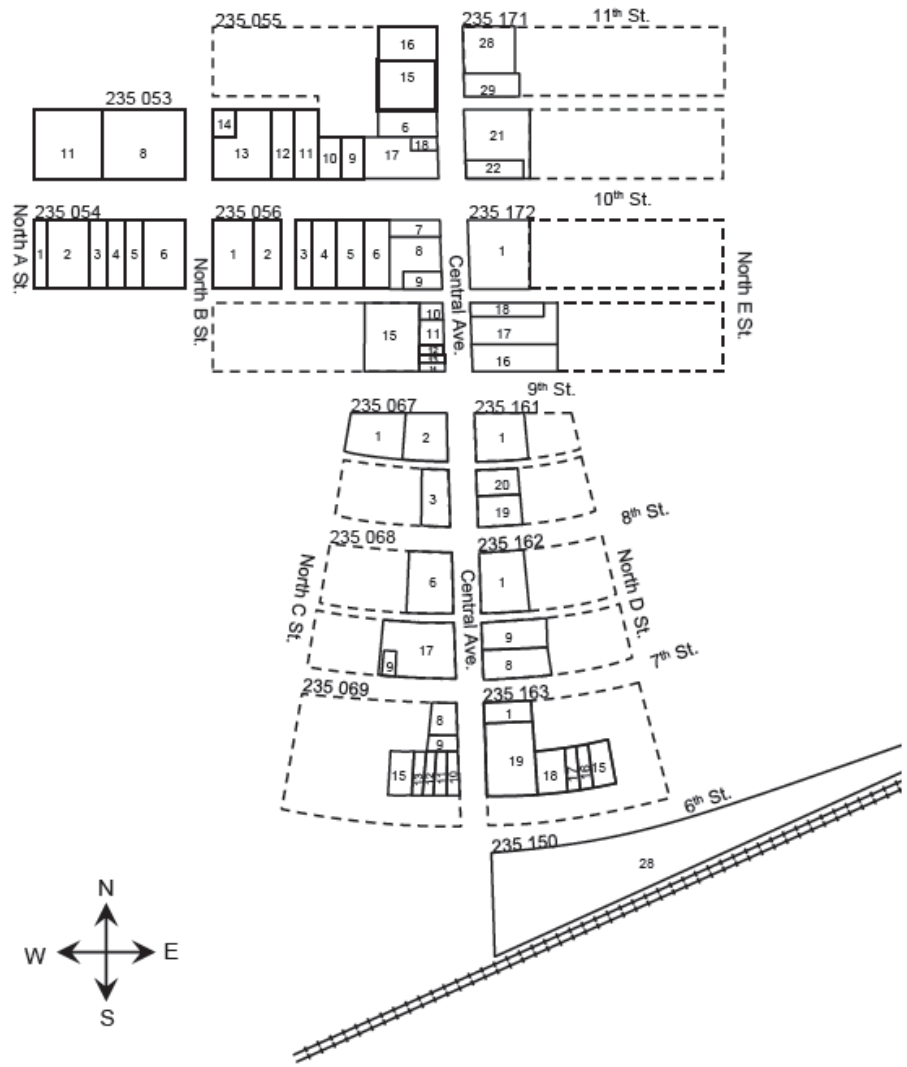
MAYOR

ATTEST:

INTERIM CITY CLERK

Downtown Tracy C.B.D. Boundaries

Surrounding Boundaries
(Not included in district)



PETITION TO ESTABLISH THE DOWNTOWN TRACY COMMUNITY BENEFIT DISTRICT

Pursuant to Section 36600 *Et Seq.* of the California Streets and Highways Code, Division 6, Chapter 9, Sections 6.600 to 6.620

Legal Owner: CITY OF TRACY

Owner % of Total Assessment: 16.45%

<u>APN</u>	<u>Site Address</u>	<u>Benefit Zone</u>	<u>Proposed Assessment</u>	<u>Percent</u>
235 056 15	15 W 9TH ST	1	\$2,060.88	1.39%
235 067 01	835 N CENTRAL AVE	1	\$3,386.41	2.29%
235 067 02	885 N CENTRAL AVE	1	\$2,707.51	1.83%
235 068 06	729 N CENTRAL AVE	1	\$3,166.92	2.14%
235 068 09	25 W 7TH ST	1	\$391.95	0.26%
235 068 17	713 N CENTRAL AVE	1	\$6,454.66	4.36%
235 150 28	50 E SIXTH ST	1	\$6,190.97	4.18%
			TOTAL:	\$24,359.30

_____ Yes, I endorse the Management District Plan for 2015.

Property Owner's Name (Please Print or Type)

Property Owner's Signature

Date

or

Duly Authorized Representative's Signature

Title (Please Print or Type)

Date

PLEASE SIGN AND RETURN BY SEPTEMBER 5, 2014

Please scan and email to mail@newcityamerica.com or fax to 619-239-7105

and

mail original to: New City America, Inc.
Downtown Tracy CBD Steering Committee
710 West Ivy St. San Diego, CA 92101

AGENDA ITEM 8

REQUEST

APPROVE AMENDMENT NO. 1 TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF TRACY AND THE GRAND FOUNDATION AND AUTHORIZE THE MAYOR TO EXECUTE THE AMENDMENT

EXECUTIVE SUMMARY

In 2012, City Council approved a Memorandum of Understanding (MOU) with the Grand Foundation, a not-for-profit public benefit California Corporation (Foundation). The Grand Foundation has several roles and responsibilities as the working partner with the City, one of which is to raise and administer funds for the Grand Theatre Center for the Arts. To enhance the Grand Foundation's funding raising efforts, staff recommends that the existing MOU be amended to allow the Foundation to manage concession activities, including the purchase and sale of alcoholic and non-alcoholic beverages. Other recommended changes to the MOU include removing volunteer management from the Foundation's required responsibilities.

DISCUSSION

Staff recommends that the City Council consider amending the Grand Foundation MOU to include concession management responsibilities, including the purchase and sale of food and alcoholic and non-alcoholic beverages and other concession items. Revenue from the concessions would be divided equally between the City of Tracy and Grand Foundation by June 1st of each fiscal year. The Grand Foundation would keep all financial records associated with the concession sales and provide City staff with a quarterly report listing expenditures and revenues associated with the Grand concessions.

Using the Grand Foundation's Alcohol Beverage Control (ABC) License, the City's past practice was to purchase alcohol for resale at the Grand Theater for special events and performances. The City and Grand Foundation would cooperatively sell various concession items, including alcohol. Amending the Grand Foundation's MOU would allow City staff to remove themselves from the practice of purchasing and selling alcohol.

Additionally, one of the general responsibilities of the Grand Foundation under the 2012 MOU Agreement included volunteer management. Staff and the Grand Foundation Board have collectively evaluated the area of volunteer management and determined that it is more appropriate to have City staff recruit and manage volunteers. Given staff's knowledge and understanding of theater operations and presentations, it is recommended that the Grand Foundation no longer be responsible for volunteer management as reflected in the attached MOU agreement.

STRATEGIC PLAN

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

FISCAL IMPACT

Approval of this Amendment to the MOU will minimally impact the General Fund. Currently, all concession revenue goes to the City's General Fund. Under the proposed amendment, revenue from concession sales will be shared equally between the City and the Grand Foundation. The FY 2014/15 budget assumes approximately \$8,000 in concession revenue.

RECOMMENDATION

That the City Council, by resolution approve Amendment 1 to the Memorandum of Understanding (MOU) between the City of Tracy and the Grand Foundation and authorize the Mayor to execute the agreement.

Prepared by: Kim Scarlata, Division Manager II

Reviewed and

Approved by: Maria A. Hurtado, Assistant City Manager

Approved by: Troy Brown, City Manager

ATTACHMENTS

Attachment A – Amendment

**CITY OF TRACY
AMENDMENT NO. 1 TO
THE MEMORANDUM OF UNDERSTANDING BETWEEN
THE CITY OF TRACY AND THE GRAND FOUNDATION**

RECITALS

- A. This Amendment No. 1 ("Amendment") to the Memorandum of Understanding between the City of Tracy and the Grand Foundation (hereinafter "MOU") is made by and between the City of Tracy, a municipal corporation, and the Grand Foundation, a not-for-profit public benefit California Corporation.
- B. The City of Tracy desires to grant the Grand Foundation exclusive rights to purchase and sell all of the beverages both alcohol and non-alcohol and food items from the concession area at the Grand for all presenting season concerts and events.
- C. The City of Tracy desires to retain the responsibility for recruitment, training and scheduling of volunteers, including ushers, docents and interns.

NOW THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

- 1. **Incorporation by Reference.** This Amendment incorporates by reference all terms set forth in the Agreement, unless specifically modified by this Amendment. The terms which are not specifically modified by this Amendment shall remain in effect.
- 2. **Terms of Amendment.** A new subsection J. is hereby added to section IV. of the MOU to read as follows: "J. Effective September 16, 2014, the Foundation is hereby granted exclusive rights to purchase and sell all of the beverages both alcohol and non-alcohol and food items ("concessions") from the concession area of the Grand for all the City's presenting season concerts and events. The Foundation shall provide all necessary staff to operate such concessions with the assistance and cooperation of the Grand staff. The Foundation shall comply with all applicable regulations and obtain all necessary sale and resale permits (e.g. ABC permit, resale permit, etc.) for such concession sales. The Foundation shall pay City fifty percent of the net-profit from such concession sales by June 1st of each fiscal year. The Grand Foundation shall keep all financial records associated with such concession sales and provide City with a quarterly report that lists expenditures and revenues associated with the concession sales."

Subsection H of section III Foundation Responsibilities is hereby deleted.

A.1 subsection of Section VI is hereby amended to change the location of the Grand Foundation office from the second floor of the Center to the building commonly referred to as, "The Old Jail" located at 25 W. 7th St. said subsection is further amended to provide exclusive use of said location to the Grand Foundation.

CITY OF TRACY
Amendment No. 1 to Memorandum of Understanding
Grand Foundation
Page 2 of 2

3. **Modifications.** This Amendment may not be modified orally or in any manner other than by an agreement in writing signed by both parties, in accordance with the requirements of the Agreement.
4. **Severability.** If any term of this Amendment is held invalid by a court of competent jurisdiction, the Amendment shall be construed as not containing that term, and the remainder of this Amendment shall remain in effect.
5. **Signatures.** The individuals executing this MOU represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this Amendment. This Amendment shall inure to the benefit of and be binding upon the parties and their respective successors and assigns.

The parties agree to the full performance of the terms set forth here.

City of Tracy

By: _____
Brent H. Ives
Title: Mayor
Date: _____

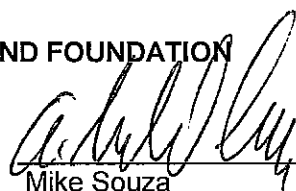
Attest:

By: _____
Carole Fleischmann
Title: Interim City Clerk
Date: _____

Approved as to form:

By: _____
Daniel G. Sodergren
Title: City Attorney
Date: _____

GRAND FOUNDATION

By:  _____
Mike Souza
Title: President
Date: 8/27/14

RESOLUTION _____

APPROVING AMENDMENT NO. 1 TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF TRACY AND THE GRAND FOUNDATION AND AUTHORIZING THE MAYOR TO EXECUTE THE AMENDMENT

WHEREAS, In 2012, City Council approved a Memorandum of Understanding (MOU) with the Grand Foundation, a not-for-profit public benefit California Corporation (Foundation), and

WHEREAS, The Grand Foundation has several roles and responsibilities as the working partner with the City and one of those roles is to raise and administer funds for the Grand Theatre Center for the Arts, and

WHEREAS, To raise additional funds and remove the City of Tracy from the practice of purchasing and selling alcohol in the Grand Theatre Center for the Arts concessions the City desires the Grand Foundation to take over certain operations of the Grand Theatre Center for the Arts concessions;

NOW, THEREFORE, BE IT RESOLVED, That City Council approves Amendment No. 1 to the MOU between the City of Tracy and the Grand Foundation providing the Grand Foundation with exclusive rights to sell alcoholic and non-alcoholic beverages and food items during the City's presenting season at the Grand Theatre Center for the Arts and removing the volunteer management responsibility from the Grand Foundation, and authorizes the Mayor to execute the Amendment.

The foregoing Resolution _____ was adopted by the Tracy City Council on the _____ day of _____, 2014, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

MAYOR

ATTEST:

INTERIM CITY CLERK

AGENDA ITEM 9

REQUEST

RECEIVE AND DISCUSS THE GRAND THEATRE CENTER FOR THE ARTS ANNUAL REPORT AND ACCEPT THE GRAND FOUNDATION'S FISCAL YEAR 2014/15 ANNUAL UNDERWRITING SUPPORT AND APPROVE A SUPPLEMENTAL APPROPRIATION IN THE AMOUNT OF \$25,000 FOR PROGRAMMING AND TECHNICAL SUPPORT AT THE GRAND THEATRE CENTER FOR THE ARTS

EXECUTIVE SUMMARY

On February 4, 2014, staff presented Council with a Grand Theatre Center for the Arts Annual Report, outlining programming and operations for FY 2012/13 and FY 2013/14, as well as the recommendation to accept the Grand Foundation's underwriting support for FY 2013/14. Typically, the Grand Theatre Center for the Arts Annual Report is presented in September of each year, but the prior years' reports were delayed. We are now on schedule summarizing the complete FY 2013/14 ending report and a preview of what is to come in FY 2014/15.

Additionally, staff is requesting that Council accept and approve a supplemental appropriation of \$25,000 from the Grand Foundation for programming and technical support expenditures for FY 2014/15.

DISCUSSION

The Grand Theatre Center for the Arts is entering its eighth year of programming and operations. September 2013 kicked off a new season of programming and presentations. Over the past year, the Grand Theatre Center for the Arts has increased performance attendance and visibility in Tracy and surrounding communities. The Grand Foundation has played a significant role in bringing in new guests to the Theatre through their newly launched Membership Program that began in August 2013.

There have been significant changes in staff reorganization, increased and diversified marketing efforts and an increased and strengthened collaboration with the Grand Foundation, which has resulted in greater efficiencies, streamlining processes and increased revenue for the Theatre Presentations and Rentals.

Attachment A is a summary of FY 2013/14 fundraising and operations of the Grand Foundation that will be presented by the Grand Foundation at the conclusion of staff's report.

YEAR 2013/2014 PRESENTING PROGRAM AND RENTALS OVERVIEW

The Presenting Season kicked off on September 13, 2013, with stand-up comedian, actor and producer, Drew Carey. The season continued with 5 Grammy Award Winner and rock blues icon Robert Cray, which was close to a sell-out on Tuesday, September 24, with 503 tickets sold. The success continued with solo country artist, Uncle Kracker and NBC's "The Voice" semifinalists, the Swon Brothers.

Community Co-presents included Mariachi Sol De Mexico on October 19, presented by the City of Tracy and the Tracy Chamber of Commerce which was a complete sell-out at 545 tickets. Happy Diwali, Festival of Lights October 26, was also a highly attended performance that celebrated cultural and traditional Indian music and dance, with a touch of Bollywood.

Jazz Nights, presented with Main Street Music, which are held the 4th Friday of each month in the Lobby of the Grand Theatre have become so increasingly popular, patrons are sometimes left with standing room only as an option to attend the event.

Holidays at the Grand in December were very exciting with Cirque Du Noel leading the holiday season and the Nutcracker Ballet presented by The Children's Dance Theatre of Tracy and the City of Tracy which sold over 1,200 tickets.

January 11, 2014, began the new year with Blues and Brews Night featuring Chris Cain and the Daniel Castro Band. February was a busy month at the Grand Theatre with the Brubeck Institute and Jazz Reach, Charlotte's Web, the Sun Kings, the Freedom Riders Play and Antsy McClain and the Trailer Park Troubadours.

During the months of March-April, there was something going on for everyone. The movie "Under the Tuscan Sun" was shown with a pre-party which included wine tastings from local wineries and wine shops and appetizers. Alice in Wonderland was sold out both for the performance and the Mad Hatter's Tea Party.

The Grand Foundation hosted their fundraiser, Dancing with the Tracy Stars, which was a huge success. This event brought the community together for a wonderful show at the same time, dancers were able to not only fundraise for the Grand Foundation, but were able to donate half of their donations to their favorite local charity. The Foundation will be hosting this event again on May 9, 2015.

Country Artist Jon Pardi wrapped up the Presenting Season with a complete sell-out. The Presenting Season concluded with almost 8,000 tickets sold and \$181,419 in gross revenue.

Community Rentals for FY 2013/14 included 26 non-profit rentals and 8 commercial rentals and generated \$50,000 in net revenue. Commercial rentals brought in 55% of the revenue and the remaining 45% was brought in by non-profit rentals.

YEAR 2014/2015 PRESENTING PROGRAM AND RENTALS PREVIEW

The new Presenting Season kicked off on August 23, 2014 with legendary vocalist and two-time Grammy Award Winner Peabo Bryson. The 2014/15 Presenting Season has a well-rounded lineup that should provide entertainment for everyone. From a number one country artist to an Off Broadway Musical, this season is expected to break annual attendance records.

Staff anticipates commercial rentals to increase for the 2014/15 year with the implementation of a new marketing strategy to entice event planners and corporate planners to rent the Grand Theatre Center for the Arts for their corporate conferences and company events, which typically happen during the day on weekdays when the Grand Theatre is currently underutilized. The goal of the strategy is to increase commercial rentals by at least 25% for the next fiscal year.

YEAR 2013/2014 ARTS EDUCATION PROGRAM OVERVIEW

In 2013/14, the Arts Education (AEP) served 1,715 students through classes, workshops, camps and special events to participants of all ages in Dance, Drama, Music, and Visual Arts (including Ceramics). The AEP generated \$104,170 in General Fund revenues and received \$16,750 of underwriting support from the Grand Foundation. Of 37 instructors active in 2013/14, 15 were new to the Grand during that period.

The decline in class offerings seen in 2012/13 continued into 2013/14 with the departure of additional contract instructors. Meanwhile the numbers of Dance, Music, and Workshops/Camps increased. These enrollments were boosted through the recruitment of new instructors to replace those lost, strategic underwriting of classes with GF support and increased electronic promotions to patrons. In October 2013, the AEP, in collaboration with the South Side Community Association, presented the second annual commemoration of the Day of the Dead, a traditional Mexican and Mexican-American holiday coinciding with Halloween. The programming consisted of several free hands-on workshops for children and adults, as well as altars dedicated to the community.

In June 2014, the Grand Foundation's Arts Education Advisory Committee provided valuable feedback to the Arts Education Program in its consideration of new classes and other activities proposed by new and continuing instructors. The AEP maintained the monthly e-newsletter and increased use in the resources of social media and website content. These efforts provide deeper and more engaging access for the public to be aware of news and events, staff support, current instructors and class information. Across 2013/14, the AEP maintained collaborative relationships with Main Street Music, Young Rembrandts, Tracy Art League, Tracy Camera Club, Music First, Music Together of Tracy, Rueda de Ritmo and developed a new collaboration with Tracy Academy of Performing Arts.

YEAR 2014/2015 ARTS EDUCATION PROGRAM PREVIEW

In 2014/15, the AEP will benefit from the expansion of staff and re-development of program offerings. The AEP expects to serve a greater amount of patrons and increase revenue in 2014/15, as new contract instructors are recruited and additional classes are offered. These increases should be seen in Winter/Spring semester and continue forward across 2015.

In the summer of 2014, the AEP offered Professional Development Workshops as well as a Summer Theatre Camp for Youth and a Special Needs Musical Theatre Camp; both with public performances. In the fall of 2014, the AEP will expand Saturday hours from 10am to 2pm to 9am to 4pm weekly, as weekend demand has grown. The AEP will join with the Exhibitions Program in support of workshops and the return of the Artist-In-Residence program in the summer of 2015.

The AEP is working to expand enrollments on several fronts, including an increase in the number of culturally relevant offerings such as bilingual classes and workshops. In 2015, the AEP expects to offer new and additional Spring Break and Summer Camp opportunities for children and teens. New collaborators, such as Tracy Performing Arts Foundation (TPAF), are being cultivated, and on-going analysis of Grand Foundation (GF) underwriting is identifying community interest in new programming. In addition, the Artists-Teaching-Artists – Professional Development Workshop Series for teens and adults continues, and a new DIY/hands-on Maker Series is being introduced in the fall semester, with a family musical instrument-making class.

YEAR 2013/2014 EXHIBITIONS PROGRAM OVERVIEW

The Exhibitions Program (EP) presented five feature exhibitions in the Souza and GWF Energy Galleries collaborating with 54 artists and lenders. In addition, the EP managed Art Co-Opted, a curated sales cooperative, in the Matthews Gallery working with over 40 artists. While Gallery attendance decreased from the 2012/13 season with 5,672 visitors, averaging 37.8 daily and 189 weekly, forecasted economic growth was actualized with revenues exceeding projections by 8%. The EP recorded \$6,494 in sales; the third highest sales total and the second highest total of number of artwork/objects sold at 213 since the Co-Op opened in 2009/10.

The season opened in September with a unique retrospective of calligraphy and letterform by celebrated artist and educator, Jim Lewis. Visitors from across the western United States including California, Oregon, Washington, Colorado, and Nevada traveled to experience the profound work, and to reconnect with Emeritus Professor Lewis. As part of the annual Holidays at the Grand programming, over 40 artists participated in seasonal Co-Op exhibition in November and December with 90 works selling across four weeks.

In February, the EP presented a body of collage and assemblage works by Angela Johal of Livermore, entitled *Beyond Consumerism: The Body Speaks*. Ms. Johal offered a series of special events including an insightful Gallery Talk, as well as popular family and adult hands-on workshops. The 5th offering of *Expressions! Selections*, presented in collaboration with the Tracy Art League, opened in March featuring 25 works by 22 area artists. An annual highlight of this successful partnership is the Artist Panel Discussion offered in April exploring the roles of living/working artists in our community.

The season closed with *Personal Abstractions – Paintings by Matt Rhoades*, the first exhibit of large format abstract painting in the Galleries. Mr. Rhoades also was honored

as Artist-In-Residence. The public was invited to meet and interact with Matt as he worked in the studios at the Center. The residency culminated with an abstract painting workshop. This special summer programming received recognition with feature articles by the Tracy Press and Stockton Record and resulted in highest June (832 visitors) attendance in the history of the Exhibitions Program.

YEAR 2014/2015 EXHIBITIONS PROGRAM PREVIEW

The 2014/15 Exhibition Season will expand and present at least six feature exhibitions in the Souza and GWF Energy Galleries and continue on-going operations of Art Co-Opted in the Mathews Gallery. The season opened on September 6th, in conjunction with the Taste of the Valley Art & Food Festival and annual open house at the Center, with a dynamic thematic exhibition. *Transforming the Written Word* features five northern Californian artists of regional, national and international acclaim, and curated by Tracy artist and arts educator, Susan Richardson. As part of the annual Holidays at the Grand programming, over 40 local and regional artists will participate in Co-Op exhibition spanning all three galleries in November and December. Patrons from across the region and beyond particularly enjoy shopping for unique gifts at this time of the year.

In January, the EP presents the work of two Tracy Photographers, one documenting a foreign Peace Corp experience in traditional print photography and the other exploring automotive and architectural themes working in digitally enhanced media. March brings the 6th offering of *Expressions! Selections* in collaboration with the Tracy Art League, and the summer of 2015 will feature the return of the Artists-In-Residence programming with Bay Area artists working in our community to create educational and fun experiences.

With the redesign of the Chamber of Commerce's festival, expansion of public hours across six days a week, and an increase in cross-collaborative events in the upcoming Season at the Grand, it is anticipated that the 2014/15 Exhibition Season will experience growth in visitation and continue to see stable and favorable trends in revenue.

STRATEGIC PLAN

1. This agenda items supports the Quality of Life Strategy, specifically:

Goal 1: Improve current recreation and entertainment programming & services to reflect the community and match trending demands.

Objective 3: Align recreation and cultural arts services & programs to match demographics, evaluation feedback and trends.

2. This agenda item also supports the Economic Development Strategy, specifically:

Goal 2: Attract retail and entertainment uses that offer resident's quality dining, shopping and entertainment experiences.

Objective 2: Increase the entertainment and recreational opportunities and events that draw people into Tracy.

FISCAL IMPACT

Acceptance of programming and technical underwriting support from the Grand Foundation to the Cultural Arts Division, for the 2014/2015 Fiscal Year will result in a General Fund appropriation of \$25,000 to the Cultural Arts Division.

RECOMMENDATION

Staff recommends that Council accepts the Grand Theatre Center for the Arts Annual Report and accepts the Grand Foundation's Fiscal Year 2014/2015 Annual Underwriting support and approves supplemental appropriation of \$25,000 in proceeds for programming and technical support at the Grand Theatre Center for the Arts.

Prepared by: Kim Scarlata, Division Manager II

Reviewed and
Approved by: Maria A. Hurtado, Assistant City Manager

Approved by: Troy Brown, City Manager

ATTACHMENTS

Attachment A – Summary of 2013/2014 Grand Foundation Fundraising and Operations

Grand Foundation

FY 2013-2014 Annual Report to the City of Tracy

Each calendar year the Grand Foundation will provide an annual written report to the City of Tracy that summarizes the prior fiscal year activities of fundraising and operations. The following is the Grand Foundations Annual Report for fiscal year 2013 through 2014:

Role

The primary purpose of the Grand Foundation is to enrich community life in the City of Tracy by promoting, preserving, and perpetuating the arts.

Goal

To work as a partner with the City of Tracy on our joint vision to make the Grand Theatre Center for the Arts a leading regional center for the arts.

Activities

Undertake responsibility for the following committees:

Program Advisory & Community Relations

Committee consists of five members including chair. Committee has conducted community outreach surveys at various times throughout the year to include the Bean Festival and various presenting season events held at the Grand. The committee is now in the planning stages for a High School/College Film Festival to be held at the Grand possibly in the spring of 2015.

The Committee also meets semi-annually with the Grand staff to collaborate on presenting season selections, arts education class offerings, and gallery exhibitions.

Membership

The membership campaign was launched August 9, 2013 with a membership event at the Grand. The membership program consists of five levels of membership ranging from a \$50.00, Friend of the Grand, to a \$1,000, Grand Seat Patron, membership. All members of the Grand Foundation board currently participate in the membership program and the program continues to grow every month with membership from the community. The Grand Foundation in conjunction with the Grand staff hosted a launch party for the new season on July 24th, to encourage existing members to renew their membership and invite new members to join.

Marketing/Advertising

The marketing committee is working with the box office staff to help promote the membership through box office since they are usually the first point of contact with the patrons, as well as on the website a pop up screen to encourage patrons to purchase membership in order to receive discounts on their ticket purchases.

They are also working on other avenues such as editorial coverage to promote the Grand Foundation for public awareness.

Special Events / fundraising / Seat Campaign

The Special Events, Fundraising and Seat Campaign committee coordinated the spring fundraiser "Dancing with the Tracy Stars". The first year event which is now an annual event was a success netting \$14,185. The second annual "Dancing with the Tracy Stars" is scheduled for Saturday May 9th 2015. The committee is also in the process of coordinating a seat campaign scheduled to be launched in the first quarter of 2015.

Finances

Endowment

The Foundation has established an endowment through the Community Foundation of San Joaquin with an initial investment of \$5,000. In the 2013/2014 fiscal year, the endowment investment is \$20,000. \$5,000 will be deposited in the endowment in September of 2014 and the balance committed thru the seat campaign.

Underwriting

The City Staff annually presents an estimated and prioritized set of funding requests for the Foundations review for underwriting support. Following is the 2014/2015 list of items to be underwritten by the Grand Foundation.

Performing Arts Program:

Spring Concert	Talent-TBA	\$10,000
	Foundation to be named as Co-Presenter	

Arts Education Program:

Class Underwriting	Comprehensive underwriting support of Aprox. 25 to 30 classes, workshops and Special events serving: *Special Needs Children & Adults *Youth Ages 4 to 17 *Adults Ages 18 to 64 *Seniors Age 65+ Covers Contract Instructor fees, insurance, Business licenses, marketing and supplies. Classes can either be free or offered for a nominal fee (\$10-\$45) expense dependent.	\$12,900
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Dance

\$500: 2 "Artists Teaching Artists" Professional Development Workshop Series
\$2,500: Underwriting of 5 offerings January – August, 2015

Drama

\$250: 1 "Artists Teaching Artists" Professional Development Workshop Series
\$250: 1 Maker Series Workshop (hands-on, DIY culture, activity-based)
\$3,000: Underwriting of 6 offerings January – August, 2015

Music

\$250: 1 "Artists Teaching Artists" Professional Development Workshop Series
\$250: 1 Maker Series Workshop (hands-on, DIY culture, activity-based)
\$2,500: Underwriting of 5 offerings January – August, 2015

Visual Arts

\$250: 1 "Artists Teaching Artists" Professional Development Workshop Series
\$650: 1 Maker Series Workshop (hands-on, DIY culture, activity-based)
\$2,500: Underwriting of 5 offerings January – August, 2015

Arts Education Program (AEP):

Hospitality Services \$2,100
Catering and Hospitality Services for Feature Exhibitions

Photography by Mickey Mc Guire & Elizabeth Parrish
Opening Reception: Saturday, January 24th \$ 600
Gallery talk: Saturday, February 14th \$ 100

Expressions! Selections (annual regional group exhibition \$ 600
Presented in collaboration with the Tracy Art League
Opening Reception: Saturday, March 28th \$ 600
Artist Panel Discussion: Saturday, April 11th \$ 100

Painting & Drawing by Jan Wurm
Summer Artist in Residence
Opening Reception: Saturday, May 30th \$ 600
Gallery talk: Saturday, June 20th \$ 100

Total \$15,000

**Total underwriting donation by the Grand Foundation to include
Performing Arts Program & Arts Education Program: \$25,000**

RESOLUTION _____

RECEIVING THE GRAND THEATRE CENTER FOR THE ARTS ANNUAL REPORT AND
ACCEPTING THE GRAND FOUNDATION'S FISCAL YEAR 2014/15 ANNUAL
UNDERWRITING SUPPORT AND APPROVING A SUPPLEMENTAL APPROPRIATION OF
\$25,000 IN PROCEEDS FOR PROGRAMMING AND TECHNICAL SUPPORT AT THE GRAND
THEATRE CENTER FOR THE ARTS

WHEREAS, Staff is presenting an overview of the seventh year of operations and the
upcoming eighth year operations of the Grand Theatre Center for the Arts, and

WHEREAS, Over the past year the Grand Theatre Center for the Arts has increased
performance attendance and visibility in Tracy and surrounding communities, and

WHEREAS, Staff is requesting that Council accepts and approves a supplemental
appropriation of funding of \$25,000 from the Grand Foundation for programming and technical
support expenditures for Fiscal Year 2014/15;

NOW, THEREFORE, BE IT RESOLVED, That the City Council hereby accepts the
Grand Foundation's Fiscal Year 2014/15 Annual Underwriting Support and approves a
supplemental appropriation of \$25,000 in proceeds for programming and technical support at
the Grand Theatre Center for the Arts.

* * * * *

The foregoing Resolution _____ was adopted by the Tracy City Council on the 16th
day of September, 2014, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

MAYOR

ATTEST:

INTERIM CITY CLERK

AGENDA ITEM 10

REQUEST

AUTHORIZE A BUDGET ADJUSTMENT TO HIRE PART-TIME LIMITED SERVICE STAFF TO SUPPORT A TEMPORARY RENTAL OF THE GRAND THEATRE CENTER FOR THE ARTS

EXECUTIVE SUMMARY

In May, 2014, staff received a request from Grace Church to rent the Grand Theatre Center for the Arts once a week on consecutive Sundays for approximately one year. Due to budget and staffing limitations, the Grand Theatre is closed on Sundays, with the exception of a few rentals or performances throughout the year. To accommodate the church's rental request, the City Council would need to authorize an expenditure budget adjustment to hire part-time limited service staff to support the temporary rental. Expenses would be offset by the rental revenue.

DISCUSSION

In May 2014, representatives from Grace Church requested to temporarily rent the Grand Theatre Center for the Arts for Sunday worship services while the church undergoes a building renovation beginning January 2015. The rental request is for approximately one year and includes using the ETK Theatre and several other rooms in the Center. Representatives from the church indicated that they underwent an extensive search for rental alternatives; however, none of the facilities, with the exception of the Grand, met the requirements needed to conduct services. It is important to note that that current performance bookings and annual events/rentals will have priority over church's Sunday rental requests. This exception has been communicated to Grace Church and, if approved, will be reflected in the rental schedule and agreement.

Typically, the Grand Theatre Center for the Arts is closed on Sundays, with the exception of an occasional event or play. Staff availability and budget constraints have limited the City's ability to rent the Grand Theatre regularly on Sundays. Given the increase in rental requests and performances throughout the year, there is very little capacity to support facility usage on Sundays. As a result, the City needs additional part-time limited service staff to accommodate the temporary rental request by Grace Church.

Staff anticipates 24 weeks of rentals between January 2015 and June 2015. During this six month period, the total projected revenue is estimated to be \$44,856. Required expenses are approximately \$36,986, which include two part time limited service staff and custodial services. The remaining six months (July 2015-January 2016) of rental revenue and expenditures would be addressed through the FY2015/16 budget process.

STRATEGIC PLAN

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

FISCAL IMPACT

To provide rental services, an expenditure budget adjustment in the amount of \$36,986 is required; however, these expenses will be offset by incoming rental revenue. Projected revenue is anticipated to be \$44,856. The estimated net positive impact to the General Fund is \$7,870.

RECOMMENDATION

That City Council, by resolution, authorizes a budget adjustment in the amount of \$36,986 to hire part-time limited service staff to support a temporary rental of the Grand Theatre Center for the Arts.

Prepared by: Kim Scarlata, Division Manager II

Reviewed and
Approved by: Maria A. Hurtado, Assistant City Manager

Approved by: Troy Brown, City Manager

RESOLUTION _____

AUTHORIZE A BUDGET ADJUSTMENT TO HIRE PART-TIME LIMITED SERVICE STAFF TO SUPPORT A TEMPORARY RENTAL OF THE GRAND THEATRE CENTER FOR THE ARTS

WHEREAS, staff received a rental request from Grace Church to reserve the Grand Theatre Center for the Arts on consecutive Sundays for approximately one year, and

WHEREAS, an expenditure budget adjustment is needed to hire part-time limited service staff to support the temporary rental;

NOW, THEREFORE, BE IT RESOLVED, That City Council authorizes an expenditure budget adjustment in the amount of \$36,986 to hire part-time limited service staff to support a temporary rental of the Grand Theatre Center for the Arts.

The foregoing Resolution _____ was adopted by the Tracy City Council on the _____ day of _____, 2014, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

MAYOR

ATTEST:

INTERIM CITY CLERK

September 16, 2014

AGENDA ITEM 12.A

REQUEST

RECEIVE AND ACCEPT THE CITY MANAGER'S INFORMATIONAL UPDATE

EXECUTIVE SUMMARY

This agenda item will update the Council on newsworthy events.

DISCUSSION

The City Manager will provide Council with an informational report on various items, including upcoming special events, status on key projects, or other items of interest in an effort to keep Council, staff, and residents abreast of newsworthy events.

STRATEGIC PLAN

This agenda item does not relate to the Council's Strategic Plans.

FISCAL IMPACT

There is no fiscal impact with this informational item.

RECOMMENDATION

That Council receives and accepts the City Manager's informational update.

Prepared by: Troy Brown, City Manager
Reviewed by: Troy Brown, City Manager
Approved by: Troy Brown, City Manager