

December 16, 2014, 7:00 p.m.

City Council Chambers, 333 Civic Center Plaza

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

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

The invocation was offered by Pastor Tim Heinrich, Crossroads Baptist Church.

Roll call found Council Members Rickman, Vargas, Young, and Mayor Maciel present.

YOUTH ADVISORY COMMISSION – Commissioners Althea Elmore and Hannah Geiss presented the Youth Advisory Commission’s Annual Report and used a power point in the presentation. Mayor Maciel thanked the Commissioners for their work on behalf of the youth of Tracy.

1. CONSENT CALENDAR – Following the removal of items 1.C 1.I, and 1.J by Council Member Vargas, it was moved by Council Member Rickman and seconded by Council Member Young to adopt the Consent Calendar. Roll call vote found Council Members Rickman, Vargas, Young and Mayor Maciel in favor; motion carried.
 - A. Approval of Minutes – Regular meeting minutes of December 2, 2014, were approved.
 - B. Adopt Resolution Approving the Annual Report on Development Impact Fee Revenues, Expenditures, and Findings Regarding Unexpended Funds – Resolution 2014-199 approved the annual report.
 - D. Approve an Amendment to the Specialized Aeronautical Services Operator and Leased Facility Agreement between City of Tracy and Skyview Aviation, LLC to Allow an Additional Use within the Leased Area for Classroom Purposes, and Authorize the Mayor to Sign the Amendment – Resolution 2014-200 approved the amendment
 - E. Approve Standard Agreement Data Processing Equipment and Services Agreement Between the City of West Covina, Through its Police Department, an Entity Organized Under the Laws of the State of California (West Covina Police) and the City of Tracy (Tracy Police) for the Data Processing Equipment and Services and Authorize the Mayor to Execute the Agreement – Resolution 2014-201 approved the agreement.
 - F. Acceptance of the Sidewalk, Curb, and Gutter Replacement Project Fiscal Year 2013 – 2014 (FY/13/14) - CIP 73139, Completed by Trident Contractors, Inc., of Daly City, California, Authorization for the City Clerk to File the Notice of Completion, and Authorization for the City Engineer to Release the Bonds and Retention Payment – Resolution 2014-202 accepted the project.
 - G. Approve a Resolution Authorizing Leaves of Absence for Tracy Planning Commissioner Joseph Orcutt – Resolution 2014-203 approved the leaves of absence.

- H. Authorize Amendment of the City's Classification and Compensation Plan for the City Clerk Position – Resolution 2014-204 authorized the amendment.
- C. Approve Amendment No. 2 to the Professional Services Agreement Between the City of Tracy and HF&H Consultants, LLC and Approve Funding Allocation – Resolution 2014-205 approved Amendment No. 2 to the Professional Services Agreement between the City of Tracy and HF&H Consultants, LLC and the funding allocation. Anne Bell, Management Analyst, Administrative Services Department, presented the staff report. Through the City's Service Agreement with Tracy MRF for the recycling, composting, processing, and disposal of solid waste, the City bills for all Tracy Disposal and Tracy MRF services within the City, and maintains a Solid Waste Fund that receives all revenues from collection rates. The current agreement which was executed in 1994 expires on May 1, 2015. A new agreement would enable Tracy MRF to secure financing without the City having to pledge rates for debt service as was the case with the original bond financing used to fund the construction of the MRF. When the City entered into the current Service Agreement nearly 20 years ago, the City Council desired that Tracy MRF be given the ability to be the owner and operator of the MRF to be constructed in lieu of contracting with the County. Tracy MRF was a new, inexperienced company having been formed separately from Tracy Disposal (although owned by the same principals) and tasked with financing the construction of a new MRF facility had challenges. The resulting Service Agreement resulted in the City being involved in certain key areas including the rate covenant for financing the facility, and approving the annual operating budget. After nearly 20 years of operating the MRF, the company has the ability to enter into a new agreement which will be more traditional in nature, as evidenced by the company's ability to secure private financing. It was anticipated that negotiations would conclude in February, 2014. However, due to continued agreement modifications by Tracy MRF, further analyses and negotiations are required. Negotiations are expected to conclude in April, 2015.

The appropriation will not impact the General Fund. Funding in the amount of \$20,000 will be allocated from the Solid Waste Fund.

Council Member Vargas questioned the one year delay to conclude negotiations, and asked whether there would be additional costs. Ms. Bell responded the delay is due to a change in attorneys who continue to bring up new issues with the City. Ms. Bell responded there would be no additional costs due to the delay.

Steve Nicolaou, 1068 Atherton Drive, questioned whether the City had in-house expertise which could take over the negotiations to minimize the cost to the City. Mr. Nicolaou referred to companies who control costs by negotiating a lump sum and questioned whether that was an option for the City.

Council Member Rickman moved to adopt Resolution 2014-205 approving Amendment No. 2 to the Professional Services Agreement between the City of Tracy and HF&H Consultants, LLC and the funding allocation. Council Member Young seconded the motion. Voice vote found all in favor; passed and so ordered.

- I. Minor Amendment to the Preliminary and Final Development Plan to Change the Minimum Lot Width and Depth Dimensions, and Adjust the Minimum Street Side Yard Setbacks Within the Trinity Lane Subdivision. The Project is Located at the Northeast Corner of Lammers Road and Feteira Way – Applicant and Owner is Pulte Homes – Assessor’s Parcel Numbers 238-620-01 through 70 – Victoria Lombardo, Senior Planner, presented the staff report. On March 18, 2014, Council approved a Preliminary and Final Development Plan for the Trinity Lane 60-unit subdivision map and Planned Unit Development (PUD) at Lammers Road and Feteira Way. Since that time, the final map has been recorded and grading and construction have commenced.

At the time of the project approval, the Vesting Tentative Subdivision Map, and corresponding PUD standards, as proposed by the developer were approved by the Council. A review of the first building permits revealed that the width of many of the lots within the project did not meet the minimum 29 feet as was established with the PUD. Many of the lots were 28.7 feet wide, rather than 29 feet. This discrepancy occurred because the tentative map that was approved showed the lot dimensions in whole numbers, whereas the precise lot widths were actually slightly smaller. In order to correct this error the developer proposed to amend the minimum lot width to 28 feet. This change does not affect any of the building setbacks as shown on the approved PUD and development plan. The minimum lot depth as established in the PUD is currently 60 feet. Because most of the subdivision lots are not a perfect rectangle, some lots have a measurement that is deeper on one side than the other. While the depth of most lots in the project is more than 70 feet, some have one side that is shorter than the 60-foot deep standard. The City’s Municipal Code regulations do not include a definition of lot depth, and therefore lot depth could be interpreted as either the longest or shortest measurements on the map, or possibly the average depth across a lot. In order to prevent any confusion regarding lot depth in this situation, an adjustment from a minimum of 60 feet to 58 feet is proposed to reflect the actual dimension of the shallowest lots approved on the subdivision map. This change does not result in any differences in the approved front or rear yard building setbacks. The final proposed amendment to the PUD is for building setbacks along street-facing side yards. Internal lots within the PUD have a minimum building setback of four feet on one side and zero lot line on the other, but street side yards were proposed to be at least five feet wide, with open porches allowed to encroach into that setback area. Once the developer plotted the houses on the lots on their building permit applications, it was determined that the houses as designed do not fit on some of the narrower of the six corner lots on the site. Therefore, the five foot setback will be reduced to four feet, to match the internal lots. The proposed reduction will not have a significant visual or functional effect on the high-density site.

The project is consistent with the Initial Study/Negative Declaration for the Citation/Souza Project, adopted by the City Council in August 16, 1994, and the General Plan EIR certified on February 1, 2011. No further environmental review or documentation is required pursuant to California Environmental Quality Act Guidelines, Section 15162, as no significant changes have occurred to the project or the environment after the approval of the Negative Declaration.

The Planning Commission discussed the proposed amendment on December 3, 2014, and unanimously recommended approval of the minor PDP/FDP amendment as proposed. The Planning Commission clarified the changes were small and would not affect the distances between buildings. There was no public comment.

Council Member Vargas asked whether the changes would constitute a change to the approved map. Ms. Lombardo stated there are no proposed changes to the map. The proposed changes are only to the regulations in the PUD and the project still conforms to the Map Act.

Council Member Rickman moved to adopt Resolution 2014-206 approving a minor amendment to the Preliminary and Final Development Plan to change the minimum lot width and depth dimensions, and adjust the minimum street side yard setbacks within the Trinity Lane Subdivision. The project is located at the Northeast Corner of Lammers Road and Feteira Way – Applicant and Owner is Pulte Homes – Assessor's Parcel Numbers 238-620-01 through 70. Council Member Young seconded the motion. Voice vote found all in favor; passed and so ordered.

- J. Approve an Offsite Improvement Agreement With Prologis L.P., a Delaware Limited Partnership, for Construction of the Cordes Ranch Two Million Gallon Water Tank to be Located at the Southeast Corner of Hansen Road and Road E, and Authorization for the Mayor to Execute the Agreement – Kul Sharma, Director of Utilities, presented the staff report. The City's Water Master Plan, adopted by Council in April 2013, identifies construction of two water tanks in the Cordes Ranch area; one in the development area with a 1.5 million gallon capacity and the other with a 0.5 million gallon capacity at the existing booster station on Grant Line Road. The costs of these tanks are funded from Program Development Impact fees to be collected from new developments. The timing of construction of these tanks depends upon the intensity and location of development in the Cordes Ranch area. Since the Developer is now proceeding with construction of new development in the area construction and operation of these tanks is essential to effectively serve the new development.

Since the Water Master Plan analysis was completed at concept plan level, further technical analysis to effectively serve the proposed projects indicates that instead of constructing two water tanks, one tank with the combined capacities at the proposed location will be as effective as two tanks as shown in the Master Plan. Therefore, only one tank with a two million gallon capacity needs to be constructed. The existing Water Master Plan will be amended and the development impact fees will be updated at a later date to reconcile this change and other future changes as needed.

The development impact fees from new development will be paid at the time of the building permits. Since no development impact fees have been collect at this time, there are no program funds available to construct the water tank. As a result, the Developer has opted to construct the water tank in accordance with City standards and will dedicate the improvements to the City upon completion. The Developer will be eligible for fee credits or reimbursements for the cost of construction of this tank. The existing Development Agreement between the

Developer and the City also allows the Developer to construct infrastructure improvements, including the water tank and receive fee credits or reimbursement.

An Offsite Improvement Agreement is required to be executed prior to the start of construction of this water tank to ensure its timely completion. Construction inspection will be provided by the City. This agreement is limited to the structural part of the tank only. Another Offsite Improvement Agreement will be executed for completion of other improvements including the pump station and associated on-site improvements. The Developer has completed the design of the two million gallon water tank and appurtenances and has submitted the Improvement Plans, Specifications and Cost Estimates (PSE). Staff reviewed the PSE and found them to be complete. The Developer has executed the Offsite Improvement Agreement and submitted the required security to guarantee completion of the two million gallon water tank and appurtenances. 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.

Council Member Vargas was concerned that when an approval process is put together piecemeal something might fall between the cracks, and suggested notations be added to the Conditions of Approval. Council Member Vargas was concerned with the aesthetics of the site since it would not be possible to move a two million gallon tank once it was constructed. Council Member Vargas stated she preferred to see the improvement plans put together in one piece and was concerned with how the end product would look. Mr. Sharma stated the landscaping has been looked at very carefully and a lot of details will be coming back to Council. Mr. Sharma stated the tank will be about the size of a two story home and will be located on the east side of Hansen, half a mile from Schulte Road, looking north.

Council Member Rickman asked if changes suggested by the Council when the project is brought back would be able to be incorporated into the project. Mr. Sharma stated yes. When the project is brought back to Council the site improvements will include a berm around the tank and the pump station and more detailed landscaping.

Council Member Rickman moved to adopt Resolution 2014-207 approving an Offsite Improvement Agreement with Prologis L.P., a Delaware Limited Partnership, for Construction of the Cordes Ranch two million gallon water tank to be located at the Southeast Corner of Hansen Road and Road E, and authorizing the Mayor to execute the agreement. Council Member Vargas seconded the motion. Voice vote found all in favor; passed and so ordered.

2. ITEMS FROM THE AUDIENCE – Carolyn Brown Blunt, 1728 Wall Street, thanked Mayor Maciel for attending the “Boys to Men” conference at Kimball High School. Mayor Maciel thanked Ms. Blunt and Commissioner Ransom for their involvement in the conference and added he was impressed with the program, and particularly the keynote speaker.

Paul Miles, 1397 Mansfield, referred to a past a complaint he had made against the Tracy Police Department related to an incident involving his son, and submitted

correspondence related to the incident which he requested be entered into the record. Council Member Vargas asked Mr. Miles how his issues could be resolved. Mr. Miles stated his issues could only be resolved by the removal of Chief Hampton and City Attorney Sodergren.

3. PUBLIC HEARING TO CONSIDER AN AMENDMENT TO THE KAGEHIRO PHASE 3 PRELIMINARY AND FINAL DEVELOPMENT PLAN REGARDING THE ARCHITECTURAL DESIGN OF THE HOUSES FOR A 128-LOT RESIDENTIAL SUBDIVISION ON APPROXIMATELY 24 ACRES, LOCATED AT THE SOUTHEAST CORNER OF CORRAL HOLLOW ROAD AND KAGEHIRO DRIVE. THE APPLICANT AND PROPERTY OWNER IS STANDARD PACIFIC CORPORATION. APPLICATION NUMBER D14-0020 – Council Member Vargas recused herself from voting on the item and left the dais. Scott Claar, Planner, presented the staff report and used a power point in the presentation.

On August 20, 2013, City Council approved the Kagehiro Phase 3 project, which included rezoning an approximately 47-acre parcel located at the southeast corner of Kagehiro Drive and Corral Hollow Road (Assessor's Parcel Number 242-040-36) from Low Density Residential (LDR) to Planned Unit Development (PUD), approving a Concept, Preliminary and Final Development Plan, and approving a Vesting Tentative Subdivision Map to create 252 residential lots for single-family homes (Application Numbers PUD13-0001 and TSM12-0001).

Standard Pacific Corporation has purchased the western half of the Kagehiro Phase 3 property, approximately 24 acres. On September 2, 2014, Standard Pacific submitted an application to amend the Kagehiro Phase 3 Preliminary and Final Development Plan regarding the architectural design of the proposed houses.

The proposed amendment to the Kagehiro Phase 3 Preliminary and Final Development Plan involves a change to the approved architecture for the western half of the Kagehiro Phase 3 property, approximately 24 acres, for a 128-lot residential subdivision. Standard Pacific Corporation desires to build houses with different architecture than previously approved. The proposed architecture consists of five plan types (all single-family detached homes) with four different elevation types per plan (total of 20 different house designs). The proposed houses range in size from approximately 2,300 square feet to 3,700 square feet, with one single-story plan type and the rest two-story. The proposed architecture includes a variety of building materials and interesting details. The architectural details are generally carried around to all four sides of the houses. The proposal includes setting back the garages a minimum of 30 feet from the front property line on at least 20 per cent of the lots. The proposed amendment is consistent with the City's Design Goals and Standards.

As documented in the City Council approvals of August 20, 2013, the Kagehiro Phase 3 Preliminary and Final Development Plan and the Vesting Tentative Subdivision Map are consistent with the Residential Low designation and density requirements of the General Plan, for which an Environmental Impact Report (EIR) was certified on February 1, 2011. All cumulative and offsite impacts associated with development and buildout of the project were fully addressed in the General Plan EIR and there are no site specific or peculiar impacts associated with the project that cannot be substantially mitigated to a less-than-significant level through the application of uniformly applied standards and policies that would be applied to the project. The proposed amendment to the Kagehiro

Phase 3 Preliminary and Final Development Plan, which involves a change only to the architecture, would not affect the previous findings. Therefore, in accordance with California Environmental Quality Act (CEQA) Guidelines Section 15183, no further environmental assessment is required.

The Planning Commission held a public hearing to discuss this project on November 19, 2014. One neighboring property owner, who stated he represented other neighbors along Kagehiro Drive, asked about traffic impacts on Kagehiro Drive, the widening of Corral Hollow Road, and the expansion of Gretchen Talley Park. Staff responded to those questions and then followed up with additional information after the meeting. Following questions from the Planning Commission for staff and the applicant, which included questions regarding house sizes, garage setbacks, backyard areas, and architectural details, the Planning Commission recommended approval of the project.

Paul Miles, 1397 Mansfield, stated he was concerned that since the site bordered a canal the area might be a nesting ground for herons, and if so, believed that would be a fairly significant environmental impact. Mr. Miles asked whether the developer had any plans to protect the site alongside the canal.

Mr. Claar stated when the initial project was approved in August 2013 there were found to be no environmental impacts.

Mandi Kaerchner, Standard Pacific Homes, used a power point to describe the location and the architectural design of the homes.

It was moved by Council Member Rickman and seconded by Council Member Young to adopt Resolution 2014- 208, Approving an amendment to the Kagehiro Phase 3 Preliminary and Final Development Plan regarding the architectural design of the houses for a 128-lot residential subdivision on approximately 24 acres, located at the southeast corner of Corral Hollow Road and Kagehiro Drive, a portion of Assessor's Parcel Number 242-040-36, Application Number D14-0020. Voice vote found Council Members Rickman, Young and Mayor Maciel in favor; Council Member Vargas abstained. Motion carried.

4. RECEIVE UPDATE ON CITY COUNCIL STRATEGIC PRIORITIES FOR FISCAL YEARS 2013-15 – Troy Brown, City Manager, offered a brief introduction and introduced Corporal Octavio Lopez who presented the Public Safety strategy.

The purpose of the Public Safety Strategy is to engage residents as active partners in ensuring Tracy is a safe community. The four goals identified in the Public Safety Strategy are: (1) Develop partnership with the community and engage residents in addressing public safety concerns, (2) Promote public health, safety, and community welfare by responding and addressing unsafe, unhealthy or blighted conditions in homes, neighborhoods and the entire community, (3) Enhance citywide disaster preparedness, and (4) Reduce the number of major injury collisions.

The Public Safety Strategy is on track to complete all objectives. Some of the key achievements attained include:

- Implementation of electronic outreach applications including Nixel and Facebook.

- To provide two-way communication between citizens and public safety. This included reactivating the Police Department's Facebook page, which currently has over 3,700 followers.
- 500 local homes with swimming pools were identified and reached by City staff to promote the "Drown Without a Sound Campaign." Educational materials were distributed to prevent childhood drowning.
- During the 2014 calendar year, 945 new Code Enforcement cases were open related to health and safety living conditions. Over 3,000 inspections were performed, and over 1,000 dwellings were vacated or brought up to minimum code standards.
- The City participated in the Great California Shakeout Drill on October 16, 2014, in an effort to enhance disaster preparedness.
- The Police Department was awarded grants through the Office of Traffic Safety that funded additional traffic enforcement throughout the City, including DUI checkpoints, distracted driving, and common collision violations. In addition, in November 2014, Teen Impact was presented to over 1,000 junior and senior high school students to emphasize the dangers of distracted driving.

Vanessa Carrera, Management Analyst, City Manager's Office, presented the Quality of Life Strategy and used a power point in the presentation.

The purpose of the Quality of Life Strategy is to provide an outstanding quality of life by enhancing the City's amenities and services and cultivating connections to promote positive change and progress in our community. The four goals identified in the Quality of Life Strategy include: (1) Improve current recreation and entertainment programming and services to reflect the community and match trending demands, (2) Address city amenities and facility usage with an emphasis on accessibility and streamlined services, (3) Cultivate community engagement through digital and traditional means, and (4) Coordinate community outreach with all strategic priority teams.

Under the four goals of the Quality of Life Strategy are 40 associated action items, the majority of which are completed or are in progress. Some notable accomplishments include:

- An analysis of recreation and cultural arts programming trends and customer feedback was completed. The findings have aided staff in refining the types of classes and workshops offered to the community, so that they align better with resident interests, demographics and demands. In addition, the student survey form was revised to better gather program effectiveness, participant satisfaction and service improvements.
- The City's Field Reservation Policy Handbook was revised to reflect current industry standards for sports facility usage. Doing so has created a more equitable and streamlined process for the City's annual field allocation process.
- The City has implemented a new facility reservation and class registration software, ActiveNet, which went online on December 8th. The new system will streamline registration services, customer transactions and improve online access to activity listings. One notable feature of the ActiveNet system includes the ability to send electronic notices via email or text to enrollees on the status of classes. Online class registration can be accessed at www.tracyartsandrec.com.
- Electronic communications and outreach efforts via the City's website and social media channels have also improved. In 2014, staff saw a notable increase in

followers and engagement via the City's Facebook, Twitter, YouTube, Nixle and LinkedIn accounts. In addition, the City launched its e-newsletter application, via the City's website, which allows the public to subscribe to newsletters from various areas within the organization. All four strategy areas are using the City's electronic tools to complete their objectives. Links to these electronic applications can be found on the City of Tracy's website www.thinkinsidethetriangle.com.

Ed Lovell, Management Analyst, Public Works, stated the Governance Strategy focusses on three goals which include personnel, finance and technology and used a power point in the presentation.

The purpose of the Governance Strategy is to retain and attract new talent, enhance fiscal stability, improve the use of technology, and enhance transparency for the betterment of the Tracy community. The three goals identified in the Governance Strategy include the following: (1) Further develop an organization that attracts, motivates, develops and retains a high quality, engaged, informed and high performing workforce, (2) Ensure continued fiscal sustainability through financial and budgetary stewardship, (3) Identify technological resources to promote communication and civic engagement, enhance city services, and promote organizational productivity.

Under the three goals of the Governance Strategy are nine objectives and 33 associated action items. Most of the action items are in the process of being implemented or are already completed. Notable accomplishments include the following:

- Development and approval of a General Fund reserve policy which was presented to Council on August 19, 2014. The new General Fund reserve policy established three new reserves, replacing the previous reserve policy of 20% of the General expenditures. The new reserves are now:
General Fund Contingency Reserve is to be established with a targeted goal of 20% of the General Fund's adopted annual budget for expenditures, including recurring transfers out.
General Fund Economic/Budget Stability Reserve is to be established with a targeted goal of 10% of the General Fund's adopted annual budget for expenditures and recurring transfers out.
General Fund "Measure E" Mitigation Reserve is to be established with a targeted goal of \$7 million as this is estimated to be the peak revenue prior to the expiration of the measure in March 2016.
- The purchase and initial implementation of Enterprise Resource Planning software. As part of the Fiscal Year 2013/14 Capital Improvement Program (CIP), Council authorized funding to replace the City's current financial system with an Enterprise Resource Planning System (ERP), an information technology tool that integrates various systems (e.g. finance, human resources, benefits, fixed assets, payroll, community development) into one comprehensive system to manage operations. Tyler Technologies was the selected vendor and the purchase was approved by Council on May 20, 2014. Implementation of the software is currently underway.
- Approval of Development Impact Fees to fund the infrastructure identified in the City's Master Plans, AB1600 Development Impact Fee reports were prepared. These reports identified the facilities and their costs and distributed them equitably to new developments. A public hearing was held and the fees adopted at the January 7, 2014 City Council meeting.

Andrew Malik, Director of Development Services, presented the Economic Development Strategy and used a power point in the presentation.

The purpose of the Economic Development Strategy is to enhance the competitiveness of the City while creating a strong and diverse economic base. The four goals identified in the Economic Development Strategy include the following: (1) Create head-of-household jobs reflective of the City's target industries and those that best match the skill sets of the local labor force, (2) Attract retail and entertainment uses that offer residents quality dining, shopping and entertainment experiences, (3) Support a higher education presence in Tracy, and (4) Position Tracy as the preferred location for start-up companies and entrepreneurial investment.

Some of the key Economic Development achievements attained during the two-year strategic plan period include:

- Tracy's job creation efforts have added more than 3,000 jobs in 2013. The largest growth occurred in the manufacturing business segment. The City is fortunate to have land readily available for developers seeking to relocate or expand in this area, as evidenced by the development of the new 1,700 acre Prologis International Park of Commerce business park. Prologis, the City, and the Pennino Management Group are developing an aggressive marketing and outreach program to target Bay Area companies in the Advanced Manufacturing/Logistics, eCommerce, Healthcare, and Office related industries.
- The City has successfully identified new retail opportunities based on a recent retail and restaurant survey and aggressive marketing outreach. In turn, the City has increased sales tax revenues by more than 20% over the last two years.
- Funding for a Downtown Façade Improvement Program has provided more than \$86,000 in matching grant funds to strengthen revitalization efforts in the downtown area.
- Continuous efforts are being made to identify programming and campus development opportunities with a private university.
- The City participated in two major entrepreneurial trade shows in the Bay Area. As a result of discussions with entrepreneurs and bay area entrepreneurship organizations, it was determined that fostering a support network for entrepreneurs and providing incentives for start-ups to locate in Tracy was seen as having more value than providing office facilities, which are readily available in Tracy. As such, on November 5, 2013, Council adopted the City's High-Tech Incentive Program to encourage new high-technology companies to locate in Tracy. This incentive program is being marketed as part of the City's outreach effort.
- The San Joaquin Partnership, an Economic Development partner with the City, recently completed a San Joaquin County Land and Building Survey and presented these findings at the November meeting of the San Joaquin Partnership Board of Directors. This survey helps reaffirm to prospective businesses that Tracy has the available sites and infrastructure needed to meet future development needs.

Shelley Burcham, Vice President of the San Joaquin Partnership discussed economic indicators in San Joaquin County, including population, unemployment, housing costs and real estate statistics from 2010 to the present and used a power point in her presentation.

Council Member Rickman stated he had brought up the issue many times of having more entertainment establishments for families, including children and teenagers, and suggested Dave and Busters, Boomers, miniature golf, and laser tag as possible examples. Mr. Malik stated efforts have been made on the entertainment front, but population in the region doesn't meet the companies' requirements.

Council Member Rickman asked how other cities are able to draw entertainment venues to their areas. Troy Brown, City Manager, stated a number of strategies are taken into account to attract entertainment venues. Staff is actively marketing Tracy and doing everything it can to encourage new businesses to the City. Mr. Brown added he believed that what the City is doing now will ultimately achieve that long term goal and added staff will keep Council apprised.

Council Member Vargas asked if the City needed to change its strategy. Mr. Malik responded many jurisdictions including Manteca used redevelopment as a huge incentive for some uses, including to attract the Field of Dreams. That money is just not available now. Tracy has some incentives, including Amazon, three new companies and possibly the largest business park in the nation, and is actively sharing this information, but staff is being told Tracy is just not there yet.

Council Member Rickman stated he didn't want to hear population as an excuse, and referenced a skating rink which has been talked about for over 50 years. Council Member Rickman stated he had been contacted by a number of people regarding bringing new opportunities to Tracy including fencing, archery and building an indoor sports facility and asked how he was being contacted but staff wasn't. Mr. Malik suggested that if Council hears of these types of businesses to let staff know.

Council Member Young stated she would like to see a skating rink in Tracy since it is an activity which can be enjoyed by many different age groups. Council Member Young also pointed out that Tracy is basically an island surrounded by three freeways and teenagers are unable to get to facilities in Sacramento and Livermore unless parents are willing to drive them.

Council Member Vargas stated population from Mountain House and Lathrop could be used to boost Tracy's population. Mr. Malik stated that projected population numbers from these areas are used in the City's efforts to attract new business.

Dave Helm stated income in households in Pleasanton and Livermore is higher than in Tracy. Mr. Helm referenced his issue with the limited stock available at the mall. Mr. Helm stated he believed there were facilities in the City that weren't being used. The facilities the City does have are all located in the north and suggested they be located throughout the community. Mr. Helm stated Tracy doesn't have enough head of household jobs so parents are often gone 12 hours a day. Mr. Helm referred to a group of children who were playing soccer at a local field and were told they needed to get a permit. Mr. Helm did comment on the increase in the number of activities being held at the Grand Theatre and the increase in attendance.

Linda Jimenez, P.O. Box 1065, agreed the City needs amenities for young people. In response to Mr. Helm's comments regarding requiring a permit to play soccer in City parks, Ms. Jimenez stated the larger fields, including Plasencia Fields, do have

a reservation policy because of the large number of teams wanting to use the field. There are days the field has to be shut down for maintenance.

Council Member Vargas asked if the parks are being used to the fullest extent possible. Ms. Jimenez stated in her opinion, yes.

Council Member Young asked if the smaller parks were policed in the same way as the larger parks. Ms. Carrera stated facility attendants do not police the smaller parks like they do the permitted parks. Most of the permitted parks including Plasencia, the Ballpark and the Sports Complex are allocated to the sports leagues on a yearly basis and are maxed out regarding use.

Council Member Vargas asked if the subdivision parks are being utilized to the same extent the permitted parks are being utilized. Ms. Jimenez responded the neighborhood parks do have different amenities and are being well utilized.

Mayor Maciel stated Council priorities will be discussed at a meeting in February and invited the community to attend. Priorities will be revisited and the public will be given the opportunity to offer input.

Ms. Jimenez stated the Parks and Community Services Commission meets the first Thursday of the month at City Hall at 7 p.m., and invited the public to attend.

Roger Birdsall, 1121 Michelle Avenue, stated the reason companies don't come to Tracy is because there is no return on investment and financing is difficult. Mr. Birdsall stated the Parks Commission brochure has a large number of activities for all ages and suggested putting a basketball court in every City park.

Mayor Maciel stated Council establishes the Strategic Priorities but staff sets up the goals and objectives. Regarding economic development, Mayor Maciel stated the City is bringing jobs to Tracy which is leading the area in job growth. Jobs will drive housing and retail opportunities and when it becomes profitable the businesses will come. Mayor Maciel added he believes the City has an optimistic future.

Council Member Rickman stated he had attended a Criminal Justice Task Force meeting recently and was comforting to hear how safe the City of Tracy is. Council Member Rickman thanked upper management and Tracy police officers.

Troy Brown, City Manager, stated he understood the Council wants a concerted effort focused on bringing more family oriented businesses to Tracy. If Council is not aware of what staff is doing with regard to bringing these types of amenities to the community then staff can do a better job of keeping the Council informed.

Council Member Vargas stated there is a long period of time between reports and suggested more frequent updates on what staff is working on could be presented to the Council and the community.

Council accepted the report.

5. APPOINT AN APPLICANT TO THE PARKS AND COMMUNITY SERVICES COMMISSION FROM THE COMMISSION'S ELIGIBILITY LIST – Maria Hurtado, Assistant City Manager, presented the staff report. There is a vacancy on the Parks and Community Services Commission due to the resignation of Commissioner Holguin on December 3, 2014. The last time appointments were made to the Commission was January 21, 2014. At that time, the Council subcommittee nominated three applicants to fill the vacancies on the Commission and recommended three applicants be placed on an eligibility list in order of preference. Ms. Douglas was listed first and is willing to serve the remainder of the vacated term.

Council Member Rickman motioned to approve the subcommittee's recommendation to appoint Leslie Douglas to the Parks and Community Services Commission to serve the remainder of a term commencing on December 17, 2014, and expiring on January 1, 2018. Council Member Vargas seconded the motion. Voice vote found all in favor; passed and so ordered.

6. APPOINT AN APPLICANT TO THE PLANNING COMMISSION FROM THE COMMISSION'S ELIGIBILITY LIST – Maria Hurtado, Assistant City Manager, presented the staff report. There is a vacancy on the Planning Commission due to the resignation of Commissioner Vargas on December 2, 2014. The last time appointments were made to the Commission was April 1, 2014. At that time, the Council subcommittee nominated three applicants to fill vacancies and recommended three applicants be placed on an eligibility list in order of preference. Mr. Tanner was listed first and is willing to serve the remainder of the vacated term.

Council Member Vargas motioned to approve the subcommittee's recommendation to appoint Robert Tanner to the Planning Commission to serve the remainder of a term commencing on December 17, 2014, and expiring on March 31, 2018. Council Member Young seconded the motion. Voice vote found all in favor; passed and so ordered.

Mayor Maciel recessed the meeting at 8:55 p.m. The meeting was reconvened at 9:05 p.m.

7. ITEMS FROM THE AUDIENCE - Robert Tanner, 1371 Rusher Street, asked for an update on a study by the University of the Pacific related to the Consumer Price Index. City Manager Brown offered to provide the information to Mr. Tanner.

8. COUNCIL ITEMS

- A. Discuss and Approve Interview Questions to be Used During Interviews to Fill City Council Vacancy and Other Details of the Interview and Appointment Process - Maria Hurtado, Assistant City Manager, presented the staff report and used a power point in her presentation. At the December 2nd Council meeting, Council decided to fill the Council vacancy by appointment rather than hold a special election and formed a Council subcommittee consisting of Council Member Rickman and Council Member Vargas. The subcommittee was asked to bring back recommended questions for Council discussion and to consider any questions submitted by the public when finalizing their recommendations to Council. Attachment B to the staff report contains the nine questions submitted by the public during the Public submittal period, which closed on December 9th.

The Council subcommittee considered these questions prior to finalizing the 10 recommended questions listed on Attachment C to the staff report.

Ms. Hurtado suggested Council also consider some process related details included in the City Council Policy for Filling City Council Vacancies, specifically the Council Interviews section and the voting procedure.

The Council Interview section of the Council Policy for Filling Council Vacancies states that the interviews will be held at a public meeting which is currently scheduled for January 6, 2015.

The application period ends on December 22nd, and at that time the total number of applicants will be known. The order of interviews will be based on a random drawing administered by the City Clerk.

Applicants will remain in the Green room during the interview process since each applicant will be interviewed individually. Following the interviews the applicants will be allowed to remain in the audience.

Ms. Hurtado recommended Council discuss the interview process, to ensure a clear process is delineated for January's interviews. Some key considerations include whether or not Council will limit the number of questions or place a time limit per interview, based on the time available and the number of applicants. As of today's date there have been 10 inquiries, but the total number of qualified applicants will not be known until closer to the end of December.

Other considerations include whether the Council will allow a Closing Statement; whether Council will allow for follow-up questions, and if so, whether a time limit will be placed on those questions; and who will ask the applicants the questions – the Mayor or will the questions be divided among the Council.

In closing Ms. Hurtado referred to the voting procedure outlined on Section G of the Council policy. Finally, Ms. Hurtado stated at any point in the appointment process, the Council may call for a special election.

Following Council discussion the following interview and voting procedures were agreed to:

- Council will accept oral responses at the interview; no written responses
- Opening statement will be limited to two minutes
- Closing statement will be limited to two minutes
- Questions to be rotated among the Council Members
- There will be a time limit of two minutes to answer each question
- No follow up questions, clarification will be allowed
- Following the interviews there will be a break before Council discussion and/or public comment occurs
- The City Clerk will monitor the time

In response to questions from the Council Ms. Hurtado stated the voting procedure is a process of elimination. If there are more than three applicants each Council Member will

vote for two applicants until two applicants remain, and then each Council Member will receive one vote. The applicant who receives the majority vote will be appointed. What cannot be determined is if the vote ends in a 2-2 split.

If deadlock occurs and Council is unable to reach a consensus on an applicant to fill the vacancy Council agreed to:

- a. Develop secondary questions to ask applicants
- b. Continue discussion on applicants until a majority vote is reached
- c. If neither a. nor b. results in a final selection, a special election will be considered

Council Member Young requested a break following the interviews.

Linda Jimenez, P.O. Box 1065, Tracy, asked for confirmation on the process to be followed in the event of a deadlock. Mayor Maciel confirmed the process.

Council Member Young questioned whether if the end result is a special election would it be limited to the two final applicants. Mayor Maciel responded the election would be conducted in accordance with the State of California elections laws and would be open to all registered voters in Tracy.

Council approved the following questions to be used during the interview process:

- 1) Why would you like to be appointed to serve on the City Council?
- 2) What expertise or experience do you bring to the Council?
- 3) What are your accomplishments in providing community service to the residents of Tracy?
- 4) How would you promote transparency and accountability as a member of the City Council?
- 5) What do you consider to be the top three most significant issues in the City right now?
- 6) What do you think should be changed in city government?
- 7) What is your understanding of Measure A?
- 8) What is your understanding of Development Agreements?
- 9) What role does public safety play on the quality of life in Tracy?
- 10) When Measure E expires what should be done if annual expenses continue to exceed revenues?
- 11) Regarding Capital Improvement Projects, how would you establish your priorities?

Council Member Vargas confirmed that the interview process would be completed on January 6, 2015, no matter how long it took. Council agreed.

- B. Consider an Item for Discussion on a Future City Council Agenda Related to Waiving the Policy Naming Public Buildings, Parks and Facilities and Naming the Downtown Plaza Brent H. Ives Plaza – Maria Hurtado, Assistant City Manager, presented a brief staff report. Mayor Maciel spoke in favor of naming the downtown plaza after former Mayor Ives and listed a number of his accomplishments, particularly with regard to improving the downtown area.

Council Member Rickman stated he was concerned with setting precedent and believed public officials should be out of office for a certain amount of time before consideration is given to naming a facility after them.

Ms. Hurtado explained the item before Council was the first step in a two-step process to determine whether the Council wanted to schedule an item on an upcoming agenda to discuss naming the Downtown Plaza after a former Mayor.

Council Member Young stated she was open to discussing the item and did not believe it was too soon to discuss the issue, since numerous parks are named after people who are still alive.

Council Member Vargas stated she believed the process would be too emotional at this time. Council Member Rickman stated he did not want to set precedent.

Ray Morelos, 1801 Foxwood Drive, gave a brief history of the downtown and named a number of early Tracy residents who had been associated with the downtown area. Mr. Morelos suggested not changing the name, but leaving it as the Sixth Street Plaza.

Linda Jimenez, P.O. Box 1065, Tracy, agreed former Mayor Ives had done a lot of good work for the City, but was concerned about setting precedent. Ms. Jimenez stated it was important to recognize the entire community, not just public figures.

Steve Nicolaou, 1068 Atherton Drive, stated he agreed with Council Member Rickman and added it was four to five years after Mayor Bilbrey retired from public service before the Plaza at City Hall was named "Dan Bilbrey Plaza." Mr. Nicolaou suggested naming an auditorium at City Hall after former Mayor Ives, and naming the downtown plaza the "Children's Plaza."

Item deferred due to a lack of consensus.

Following a brief discussion on the alternative options for the appointment of the Mayor Pro Tem, the Council agreed to a one page agenda item leaving the process the way it has been done in the past. An agenda Item will be brought back to Council on January 20, 2015.

Mayor Maciel stated the lack of lighting at MacDonald Park had been brought to his attention by a concerned resident. Council Member Vargas commented the lights are on back order. Troy Brown, City Manager, stated temporary lighting would be installed until the permanent light fixtures are received.

Council Member Vargas requested:

1. a summary and status of development agreements, approved and amended, with a brief presentation by staff
2. an update on the progress of parks, the pool and construction of Legacy fields
3. an update on the construction of the Eleventh Street Overhead bridge

Troy Brown, City Manager, stated Legacy Fields is not scheduled to be brought back to Council in the near future. The next staff report would be to award the contract for the fundraising consultant. Staff could provide a memo on progress regarding the pool and the Eleventh Street Bridge.

Council Member Vargas agreed to receive a memo on the pool and the Eleventh Street Overhead Bridge, but added she preferred to have a discussion item on the status of development agreements with a brief presentation by staff. City Manager Brown stated the item will be brought back to Council on January 20, 2015, as part of the two part process for agendaizing Council items.

Council Member Young expressed her disappointment that the Taste of the Valley, which replaced the Dry Bean Festival, had been removed from the Chamber of Commerce's calendar. Council Member Young stated she felt it was important that Tracy hold a signature event that defines the City.

Council Member Rickman thanked the Director of Public Works and staff for their handling of the storm during the past week.

9. ADJOURNMENT – It was moved by Council Member Young and seconded by Council Member Rickman to adjourn. Voice vote found all in favor; passed and so ordered. Time 11:43 p.m.

The above agenda was posted at the Tracy City Hall on December 11, 2014. The above are summary minutes. A recording is available at the office of the City Clerk.

Mayor

ATTEST:

City Clerk