

TRACY CITY COUNCIL - SPECIAL MEETING MINUTES

May 24, 2016, 5:00 p.m.

333 Civic Center Plaza, Council Chambers, Tracy

1. CALL TO ORDER – Mayor Maciel called the meeting to order at 5:00 p.m.
2. ROLL CALL – Roll call found Council Members Young, Mayor Pro Tem Rickman and Mayor Maciel present. Council Member Vargas arrived at 5:25 p.m. Council Member Mitracos was absent.
3. ITEMS FROM THE AUDIENCE – There were no speakers.
4. CONDUCT WORKSHOP TO REVIEW AND DISCUSS THE PROPOSED FISCAL YEAR (FY) 2016/17 AND 2017/18 CITY BUDGET, FIVE-YEAR FORECAST, GENERAL FUND RESERVE POLICY AND BUDGET PRINCIPLES AS THE NEXT STEP IN THE FY 2016/17 AND 2017/18 BUDGET ADOPTION

Troy Brown, City Manager, made a few opening remarks.

Rachelle McQuiston, Administrative Services Director, presented the staff report.

Council comments and questions followed related to the Senior Center Upgrades and expansion, and whether to strike the \$70,000 in the CIP and utilize impact fees for the expansion. After Council deliberation, it was agreed to retain the \$70,000 in fund 301 also fund the expansion through the CIP and bring this collectively back to Council so the scope is understood.

André Pichly, Parks and Community Services Director, provided a brief overview of the Legacy Fields priorities.

Council comments and questions followed related to the actual partnership with the leagues involvement, and how much would be contributed. After Council deliberation the Council reached a consensus to allocate \$25,000 to fund 301 and return on June 21, 2016 to further discuss Legacy Fields Use Agreements and ongoing partnerships and on July 1, 2016 to discuss whether or not the Council would like to allocate \$2.1 million.

Mayor Maciel called a recess at 6:46 p.m.

Mayor Maciel reconvened the meeting at 6:56 p.m.

Robert Tanner referenced a previous meeting where \$70,000 was allocated to fund 301 for Fire Station 96 which is used as a storage facility and asked why money is being spent on that.

Council Comments and questions followed, after further deliberation on whether to fund Fire Station 96 (Warehouse) or temporary Fire Station 97, the City Council agreed to return the \$70,000 from Fire Station 96 back into fund 301.

Roger Birdsall expressed concern about the City facing a structural deficit again and that the City Council should be discussing raising taxes. Mr. Birdsall stated that without Measure E there would have been serious problems. Mr. Birdsall expressed being in support of a tax increase and believes that the public would not object to a quarter percent tax. Mr. Birdsall urged the Council to consider having this conversation.

Steve Nicolaou agreed with Roger Birdsall's comments. Mr. Nicolaou referenced the 2010 tax initiative and how it kept the City out of hot water. The City now faces a structural deficit again. Mr. Nicolaou mentioned that the top three priorities from the community survey were: public safety, quality of life and infrastructure, those things aren't free and they have to be paid for, that is how today we have freeways, schools, aqueducts etc. Mr. Nicolaou urged the City Council to have the courage and honesty to discuss taxes and put something on the November ballot.

Ms. McQuiston continued with the budget presentation.

City Council comments and questions followed.

Ms. McQuiston continued with the Five Year Forecast and General Fund Reserves.

Council comments and questions followed related to the policy discussion about general fund reserves.

Ms. McQuiston concluded the staff report presentation with Budget principles.

Council comments and questions followed.

Council Member Young requested to have a discussion at a later time pertaining to additional funding sources. Mayor Maciel and Council Member Vargas agreed with Council Member Young's request and directed staff return at a later date with a staff report to discuss the increase of revenue opportunities.

Ms. McQuiston recapped the items that will be incorporated into the budget for adoption on June 7, 2016: Maintain the \$70,000 allocated for the Senior Center; Increase the CIP by \$2.5 million and; fund Fire Station 97 upgrades and not Station 96 (warehouse).

5. Adjournment – Time 8:24 p.m.

ACTION Motion was made by Mayor Pro Tem Rickman, and seconded by Council Member Vargas to adjourn the meeting. Voice vote found all in favor; passed and so ordered.

The agenda was posted at City Hall on May 23, 2016.

Mayor

ATTEST:

City Clerk