



Think Inside the Triangle™

**City of Tracy**

**City Council Workshop on October 2, 2019**

**Management  
Partners**



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## Workshop Report

The Tracy City Council held a Special Meeting on October 2, 2019 at the Grand Theater in downtown Tracy. The workshop was an opportunity for Council to agree on norms, clarify roles, and set priorities for the coming year. Rod Gould and Nancy Hetrick of Management Partners facilitated the workshop.

### ***Workshop Objectives and Agenda***

#### **Objectives**

- Council agreement on norms for working together and working with staff on behalf of the community
- Clarify roles and enhanced trust
- Discuss opportunities and challenges on the horizon for the City of Tracy
- Set priorities for the coming year

#### **Agenda**

- Welcome and Public Comment
- Agenda Review
- Learn More About Councilmembers' Service to Tracy
- Discuss Council Norms
- Reflect on City Achievements and Contributing Factors
- Clarify Governance Roles
- Identify Opportunities and Challenges for Tracy
- Hear City Manager Update
- Brainstorm and Discuss Priorities for FY 2019-20
- Review Agreements and Commitments and Wrap Up

## Participants

### *Councilmembers*

**Mayor  
Robert Rickman**



**Vice Mayor  
Nancy Young**



**Councilmember  
Dan Arriola**



**Councilmember  
Rhodesia Ransom**



**Councilmember  
Veronica Vargas**



### *City Staff*

- Jenny Haruyama, City Manager
- Leticia Ramirez, Interim City Attorney
- Members of the Executive Team (afternoon only)

**Workshop Ground Rules.** At the start of the workshop, the facilitators suggested several ground rules to help the group have a successful workshop.

- Seek consensus
- Listen to understand
- Participate
- Stay focused
- Assume good intent
- Speak up if we need a course correction

***Bike Rack.*** The facilitators explained that items that were brought up but would not receive immediate attention would be added to a “bike rack.” It was used as a placeholder for later discussions during the session. Bike rack items were ultimately incorporated into the list of priorities presented later in this report.

***Workshop Preparation.*** In preparation for the workshop, Rod Gould conducted individual interviews with each Council member, and discussed the workshop with the City Manager. An agenda and PowerPoint presentation were prepared.

### ***Learn More About Councilmembers’ Service to Tracy***

To set the stage for a productive workshop, Council members shared their experiences related to their service to Tracy. Council members responded to the following prompts:

- What propelled you to serve on the City Council?
- What do you hope to accomplish through your service on the City Council?
- What about your service on the City Council do you find most satisfying?
- What legacy would you like to leave the community?

A variety of themes emerged and are summarized below.

- Grew up in Tracy and want to give back; “this is home”
- Pride in community
- Desire to represent under-served communities
- Add a new voice to the table and have a seat at the table to address issues that affect generations (now and in the future)
- Amplify the voices of those not heard
- Bring diversity to the Council
- Service
- To get things done; generate meaningful results – be a part of the solution
- Connect neighborhoods
- Address issues related to transportation, design, connections
- Address cleanliness of the community
- Ensure equity of service (e.g., amenities for the poor, more services for senior, youth, Measure V)
- Connect to BART
- Putting Tracy first

## ***Discuss Council Norms***

The facilitators provided materials on high-performing councils and examples of council norms in advance of the workshop to inform the discussion. The group discussed the common elements and norms from the materials and how some could be incorporated into Tracy's governance culture.

First, Council members reflected on an article entitled, "**Attributes of Exceptional Councils**" (*Institute for Local Government*). Notes from that discussion are provided below.

- Need a framework to get things done so we can disagree agreeably, within a process with specific roles
- Sense of team/partnership is critical to getting results
- Work together without hierarchy
- Take time to develop a team and invest time to build the team
- Ensure effectiveness of both staff and Council (lowest common denominator will prevail) – respect and trust are essential
- Basic respect on and off the dais fosters trust for the success of the team
  - Trust the process will be fair
  - We know/stay in our lanes
- City manager honors and carries out the will of the whole Council
- Continual learning is critically important and enables continual professional development
  - Find a means for supporting professional development (help for future Council members)
  - Learn from others (best practices; new approaches)

Next, Council members reflected on an article entitled, "**A Key Ingredient for Success: An Effective City Council/City Manager Relationship**" (by Kevin Duggan, ICMA West Coast Regional Director, ICMA). Notes from that discussion are presented below.

- Performance management
  - Use data to balance emotion
  - Be intentionally performance-based
  - Use facts to make decisions
- Trust professional staff (City Manager/City Attorney)
  - "Feel free to disagree with me"
  - City Manager provides technical information to inform decision making
  - Be open to new information to inform the best path forward

- “Disagreement” does not equal “attack”
- Working through personal/political disagreements should not occur at the dais – seek information/discussion privately.
  - Build trust
  - Resolve issues and ask questions early on – be honest/frank
- Listen to all voices; you may disagree, but let others be heard (“I can live with it”)
- Ensure the public is informed about how recommendations are developed (focus extra time on the big/controversial items)
- Avoid win/lose dead ends, find common ground, work together
- Communicate council decisions without negative tone. Ok to be in disagreement. Share differing opinions with phrases like, “The Council decided...”, “I still believe...”, and “I hope to get there.”
- Desire to be informed and to collaborate
- Ensure everyone is provided the same information; Council reports are provided as a means to do this
- For sensitive issues, begin by presenting options for discussion (some issues may not need/benefit from this approach)

### ***Council Agreements***

Council members agreed on the following norms to guide and hold themselves accountable to each other.

- Do not take ourselves so seriously
- Assume positive intentions
- Disagree agreeably
- Support continual learning
- Stop personal attacks
- Stay objective and focus on the issue (use data to balance emotion)
- Ask questions of the City Manager early on
- Be clear and consistent on time limits and public input
  - Clarify and hold to time limits
  - Must be on the agenda for public comment
  - Exercise finesse regarding public personal attacks; request respect and focus on the issue/topic
- City Council/City Manager briefings are valued
  - Technical briefings including staff are OK, but don’t sacrifice all one-on-one time
- Staff requests must to go through the City Manager for now (until we build trust)
- Solicit City Attorney guidance early – she is available for questions/input

The Council also discussed adding norms and values as an Attachment A to code of conduct.

### **Reflect on City Achievements and Contributing Factors**

Prior to the Council workshop, staff prepared a list of recent City accomplishments. This was provided to Council to use as a resource as they contemplated what has made them successful in the past.

### **Clarify Governance Roles**

The facilitators reviewed the roles of the key players in local government: Council, Mayor, City Manager, City Attorney, City Treasurer, staff, commissions, committees, and boards. A summary of the information presented is in Table 1.

*Table 1. Governance Roles Overview*

<b>Position(s)</b>	<b>Role</b>
<b>City Council</b>	<ul style="list-style-type: none"> <li>• Sets policy and overall direction</li> <li>• Keeps in touch with community concerns</li> </ul>
<b>Individual Council members</b>	<ul style="list-style-type: none"> <li>• Do what is in the best long-term interest of the community</li> <li>• Respect the chain of command</li> <li>• Work through the City Manager (or department heads with copy to City Manager)</li> <li>• Meet with the City Manager on a regular basis</li> </ul>
<b>Mayor</b>	<ul style="list-style-type: none"> <li>• Run the Council meetings</li> <li>• Serve as chief representative of the City</li> <li>• Meet with the City Manager regularly to discuss issues collaboratively</li> <li>• Work with the City Manager to anticipate future issues and plan the City's response</li> <li>• Carry out all of the roles listed for Council members</li> </ul>
<b>City Manager</b>	<ul style="list-style-type: none"> <li>• Implement Council policy</li> <li>• Handle day-to-day operations</li> <li>• Offer policy advice</li> <li>• Manage staff</li> <li>• Serve as chief executive officer of the municipal organization</li> <li>• Guide and develop staff and create a productive organization culture</li> <li>• Provide advice to the City Council</li> <li>• Help make the Council productive and successful and help each member of Council to succeed</li> <li>• Help staff achieve the Council's goals</li> </ul>
<b>City Attorney</b>	<ul style="list-style-type: none"> <li>• Represent the whole organization, not individual Council members or members of the public</li> <li>• Provide clear and accurate legal advice on a myriad of complex laws</li> <li>• Be fair and impartial</li> <li>• Provide full disclosure</li> <li>• Use candor and diplomacy</li> </ul>



## **Break**

The group took a break for lunch, during which, Executive Staff joined for the afternoon session.

## **Identify Opportunities and Challenges for Tracy**

The facilitator framed the discussion by posing the following questions to the group:

- What are Tracy's significant opportunities in the next year?
- What are Tracy's major challenges in the next year?
- What would you like to see change in Tracy in the next four years?

## **Opportunities**

Council members identified the following significant *opportunities for the next year*.

- Transit-Oriented Development (TOD)/Valley Link
- Crime prevention
- Equitable distribution of resources
- Disaster preparedness/safety plan
- Addressing homelessness
- Targeted recruitment of businesses
- Workforce education
- Focus on Measure V
- Affordable housing, housing policy
- Supportive youth
- Modern infrastructure
- Traffic calming
- Restoring trust
- Fiscal stability, balanced budget
- Civic engagement
- Revisit/clarify role of commissions
- Amenities – revisit and build
- Citizens academy
- Infrastructure
- Honest dialogue
- Economic development attraction

## **Challenges**

Council members identified the following *challenges for the next year*.

- Election year
- Council turnover
- Finances – limitations
- Negotiations
- Communications
- Realism – limited staff capacity and financial resources

## **Looking Ahead**

Council members identified the following *changes they would like to see in Tracy in the next four years*.

- Get amenities built (Measure V)
- Culture change – team trust
- Higher performing City (pride)(data)(metrics)
- Stronger finances
- Plans are implemented
- Succession plan for facilities
- Succession plan for people
- Grow our own
- Organization development
- Speedier development approval process; permit streamlining

## **City Manager Update**

City Manager Jenny Haruyama provided an update on the state of the organization. The slides used in her presentation can be found in the attachment.

## **Brainstorm and Discuss Priorities for FY 2019-20**

As a group, Council brainstormed priorities for the coming year. Before brainstorming, Council members all agreed that “Getting the financial house in order” and “Getting a Measure V amenity in the ground” must be a top priority. They added the code of conduct approval and implementation to the short list of top tier priorities.

Table 2. Top Tier Priorities

Top Tier Priorities	Dots
Plan to get financial house in order and educate the public	All
Measure V – get something in the ground	All
Adopt a Code of Conduct	All

Organizational priorities were written up on a flipchart and each councilmember was given three dots to allocate to their top three organizational priorities. The results of the dot voting exercise are summarized below in Table 3.

*Table 3. Organizational Priorities*

Organizational Priorities	Dots
Valley Link/infrastructure/traffic	5
Economic Development (targeted)	3
Transit-oriented development (TOD)	2
Homelessness strategy	2
Crime prevention plan (hold study session)	1
Governance; clarify role of commissions	1
Cannabis regulation	1
Complete the Emergency Preparedness Plan	0
Youth programs	0
Labor agreements	0
Workforce/affordable housing	0


The City Manager explained that staff will return with a work plan based on the full set of strategic priorities identified for the coming year, with timeframes consistent with staffing and budgetary resources for Council adoption at an upcoming City Council meeting.

Council will be able to adjust the work plan during the fiscal year with the understanding that the addition of new priorities and projects will require delaying or dropping others. Staff will commit to reporting on progress toward Council priorities quarterly.

### ***Review Agreements and Commitments and Wrap Up***

City staff was invited to make clarifying comments and the group reviewed the commitments made as a result of the day's workshop. The facilitators explain that following the workshop, Management Partners would produce this summary report on the discussion.

# Attachment – City Manager’s Update Slides



## Discussion Outline

1. State of the Organization
2. Citywide Strategic Efforts
  - > Organizational Workload
  - > Priority/Project Focus Areas
3. Financial Outlook and Sustainability

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## State of the Organization



- Resilient
- Adaptable
- Strong
- Opportunistic
- Vulnerable
- Transitional
- Uncertain
- Distracted

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## Citywide Efforts




90%      10%

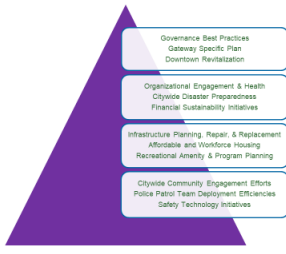
Daily Operations  
 Calls for Services, Code Enforcement  
 Park/Building Maintenance  
 Processing Applications

Community Questions/Inquiries  
 Council Directives  
 Regional Influences  
 Citywide Strategic Priorities

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## Priority Focus Areas




- Governance Best Practices  
Gateway Specific Plan  
Downtown Revitalization
- Organizational Engagement & Health  
Citywide Disaster Preparedness  
Financial Sustainability Initiatives
- Infrastructure Planning, Repair, & Replacement  
Affordable and Workforce Housing  
Recreational Amenity & Program Planning
- Citywide Community Engagement Efforts  
Police Patrol Team Deployment Efficiencies  
Safety Technology Initiatives

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## Budget Snapshot




TOTAL CITY BUDGET: \$220 MILLION

Citywide Bond Rating: Aa2

General Fund \$79M + Capital \$32M + Other Funds \$109M = Total Operating \$220M

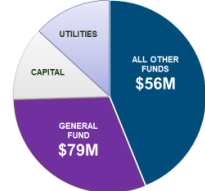
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## Budget Snapshot


Why do we focus on the General Fund?

1. It is the largest fund.
2. It provides the only source of discretionary funding for the City.



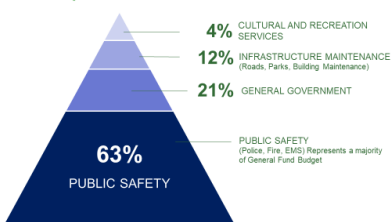
General Fund Expenditures

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## Budget Snapshot

How do we spend General Fund dollars?



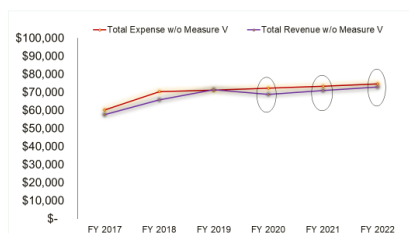
- 4% CULTURAL AND RECREATION SERVICES
- 12% INFRASTRUCTURE MAINTENANCE (Roads, Parks, Building Maintenance)
- 21% GENERAL GOVERNMENT
- 63% PUBLIC SAFETY (Police, Fire, EMS) Represents a majority of General Fund Budget

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## Financial Outlook

Are we living within our means?

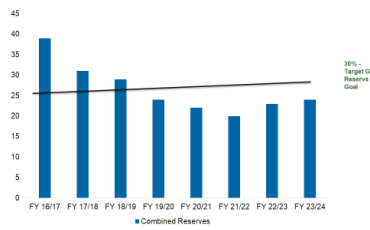


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### Financial Goals

Do we have an adequate savings account?

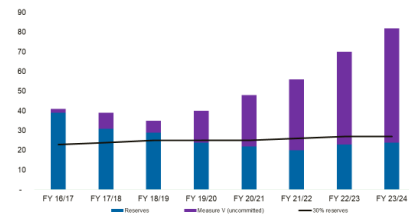


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### Financial Goals

Do we have an adequate savings account?



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### Future Obligations

What should financial focus be?

LONG-TERM OBLIGATIONS	ANNUAL FUNDING	REQUIRED	
Building, Vehicle/Equipment, Deferred Maintenance	\$3.5M-\$4M	\$6M-\$8M	\$2.5M-\$4M
Road & Street Maintenance	\$2.8M	\$6.8M	\$4M

OTHER LIABILITIES	ANNUAL CONTRIBUTION	AMOUNT UNFUNDED
Retiree Medical	\$450,000	\$1M
Pension	\$10.4M*	\$91.3M

\*Expected to increase 5-10% over next 3 years.

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### Long-Term Financial Sustainability

#### Key Financial Approaches

1. Focus on long term impacts.
2. Maintain adequate reserves to provide financial flexibility.
3. Use one-time revenues for one-time expenses.



The General Fund is in cautionary status.

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