

June 2, 2020, 5:30 p.m.

Tracy City Hall, 333 Civic Center Plaza, Tracy

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

Due to the COVID-19 emergency, the regular meeting was conducted pursuant to the provisions of the Governor's Executive Order N-29-20 which suspends certain requirements of the Ralph M. Brown Act. Residents participated remotely via email, phone and WebEx during the meeting.

1. Mayor Rickman called the meeting to order at 5:31 p.m.
2. Roll call found Council Members Arriola, Ransom, Vargas, Mayor Pro Tem Young, and Mayor Rickman present.
3. ITEMS FROM THE AUDIENCE – There were no comments from the public.
4. DISCUSS PROPOSED FY 2020-21 OPERATING BUDGET AND CAPITAL IMPROVEMENT PLAN FOR CITY OF TRACY AND PROVIDE DIRECTION TO STAFF

Jenny Haruyama, City Manager provided the economic outlook, budget summary, revised General Fund Budget and presentation.

Karin Schnaider, Finance Director provided information regarding the Operating and Capital budget.

Dino Margaros supported using Measure V funding as a bridge to maintain programs including the Grand Theatre, downtown block party series, landscape maintenance in parks, medians, and public facilities, programming for youth and seniors, and a host of other "curb appeal" services.

Don Cose recommended temporarily diverting Measure V funds from Legacy Fields and Ellis Water Park developments and put toward the existing Tracy Seniors & Tracy Youth Programs, Grand Theatre and other public projects that involve a large number of community members.

Kaylin Dell'Arringa commented on behalf of the Grand Foundation Board of Directors in support of using Measure V funding for the budget gap. Ms. Dell'Arringa requested using the Measure V funding for what it was designed for and fund the Grand Theatre appropriately.

Michel Bazinet asked how much in the budget expenditures have been budgeted for transfers from General Fund to Capital Fund and could some of those amounts be used to fill the budget gap.

Pete Mitracos suggested cutting back on the Aquatic Center budget to help fill the funding gap, shared his concerns regarding the Development Agreement with Surland Companies, suggested looking at the budget again and take the swim center back under the City's umbrella.

Robert Tanner asked if the Catastrophic Reserve can be used for the \$2.2 million budget gap and the Measure V reserves. Mr. Tanner recommended that the City look at staff layoffs and cutting services, except for Police and Fire.

Alice English echoed Mr. Tanner's comment regarding staff layoffs except Fire and Police. Ms. English spoke about the completion of Legacy Fields being a priority and then eventually the Aquatic Center.

Sandy Taylor shared her concerns about funds not being replenished. Ms. Taylor stated if Measure V funds are considered to bridge the gap, bring back the conceptual plan for Aquatic Park at the next meeting to show that you are willing to move forward with the project. Ms. Taylor also read a statement from Marsha McCray into the record regarding opposition to use Measure V funds.

Marsha McCray reiterated the Aquatic Center was prioritized as the number one amenity, and stated she would like to see Council bring the Aquatic Center back on track giving Surland the ability to bring forward new plans.

City Council questions and comments followed.

Brandon Kanner commented about honoring Council's commitment to use Measure V funds to enhance the community with new amenities.

Dan Schack supported using the Measure V funding to maintain the quality of life in our community and suggested funds should be used for maintaining landscaping, programs for seniors and our youth, events in our downtown and programs at the Grand Theatre.

City Council comments continued.

Ms. Haruyama summarized Council's consensus: Majority of Council agreed on the 2.B budget approach below, to close the remaining budget gap of \$2.2 million. Staff to bring back a new timeline for Measure V this summer, an expedited time line is preferred, but willing to work with two years.

- 2.B Use Measure V as temporary bridge funding, conditioned upon a policy that requires both the General Fund Reserves and Measure V Fund to be replenished. It is anticipated that Measure V can be replenished in 2 years or less and General Fund Reserves between 5 years or less.

Council in support of 1.A through 1.E below, to close \$8.8 million of its \$11 million FY 2020-21 budget shortfall using the following budget strategies:

- a) Implement a Citywide Hiring Freeze (\$3.5 million)
- b) Use Remaining Balance of 10% Economic/Budget Stabilization Reserve (\$3.2 million)
- c) Suspend Citywide Vehicle and Equipment Contributions (\$1.3 million)
- d) Reduce Professional Contracts and Supplies (\$600,000)
- e) Delay MCYSN Grant Allocation Process (\$200,000)

5. Adjournment: Time 7:02 p.m.

ACTION: Motion was made by Council Member Ransom and seconded by Council Member Arriola to adjourn. Roll call found all in favor; passed and so ordered.

The above agenda was posted at the Tracy City Hall on May 29, 2020. The above are action minutes. A recording is available at the office of the City Clerk.

ATTEST:

Mayor

City Clerk