

**Tuesday, May 20, 2014, 7:00 p.m.**

City Council Chambers, 333 Civic Center Plaza

Web Site: [www.ci.tracy.ca.us](http://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 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.

Full copies of the agenda are available at City Hall, 333 Civic Center Plaza, the Tracy Public Library, 20 East Eaton Avenue, and on the City's website [www.ci.tracy.ca.us](http://www.ci.tracy.ca.us)

CALL TO ORDER

PLEDGE OF ALLEGIANCE

INVOCATION

ROLL CALL

PRESENTATIONS – Swearing in 2 Police Corporals

- Certificates of Appointment – Transportation Advisory Commission/Tracy Arts Commission
- Presentation - 2013/2014 Community Improvement Scholarships – PD
- Certificates of Recognition – Delta Charter Media Production Interns

1. CONSENT CALENDAR

- A. Approval of Minutes
- B. Authorization to Submit the Annual Claim to the State of California, through the San Joaquin Council of Governments for Transportation Development Act Funds in the Amount of \$4,183,867 for Fiscal Year 2013-2014, and for the Director of Administrative Services to Execute the Claim
- C. Approval of the San Joaquin Council of Governments (SJCOG) Annual Financial Plan for FY 2014-2015
- D. Approve Supplemental Appropriation of \$100,000 for Plan Review Services in the Building Safety and Fire Prevention Division of the Development Services Department
- E. Authorize a Maintenance Agreement with the County of San Joaquin and the City of Tracy for Maintenance of Four Traffic Signals Resulting from the Cordes Ranch Annexation and Authorize the Mayor to Execute the Agreement
- F. Authorize Federal Fiscal Year 2013 and 2014 Grant Application for Section 5307 U.S. Department of Transportation Federal Transportation Administration Funds in the Amount of \$2,493,264 for Tracer Public Transportation Services, for Replacement of Fixed Route Buses, and for Expansion of Fixed Route Buses; Certification of Application Assurances; and the City Manager or Designee to Execute the Grant Documents
- G. Authorization to Extend the Agreement with All City Management Services, Inc., for School Pedestrian Crossing Guard Services through June 30, 2018, and Authorization for the Mayor to Execute the Extension Agreement

2. ITEMS FROM THE AUDIENCE

3. PUBLIC HEARING TO CONSIDER AN APPLICATION TO AMEND A VESTING TENTATIVE SUBDIVISION MAP FOR THE DEVELOPMENT OF 57 SINGLE-FAMILY LOTS ON A 9.42-ACRE PARCEL, AND A PRELIMINARY AND FINAL DEVELOPMENT PLAN AMENDMENT TO ALLOW FOR THE CONSTRUCTION OF 57 SINGLE-FAMILY HOMES LOCATED WITHIN THE 9.42 ACRE INFILL SITE LOCATED AT THE NORTHWEST CORNER OF MACARTHUR DRIVE AND PESCADERO AVENUE. THE APPLICANT AND OWNER IS WOODSIDE 05N, LP, APPLICATION NUMBERS TSM13-0006 AND PUD13-0006

4. PUBLIC HEARING TO CONSIDER AN APPEAL OF THE PLANNING COMMISSION DENIAL OF DEVELOPMENT REVIEW APPLICATION D14-0003 FOR A 45,000 SQUARE FOOT MEDICAL OFFICE BUILDING LOCATED AT 445 WEST EATON AVENUE AND A PARKING LOT AT 418, 424, 432, AND 434 WEST EATON AVENUE. APPLICANT IS DAVID O. ROMANO AND PROPERTY OWNER IS SUTTER GOULD MEDICAL FOUNDATION, APPLICATION NUMBER APL14-0001
5. PUBLIC HEARING TO INTRODUCE AN ORDINANCE AMENDING THE DEVELOPMENT AGREEMENT WITH SURLAND COMMUNITIES, LLC RELATED TO THE ELLIS PROJECT. THE ELLIS PROJECT AND DEVELOPMENT AGREEMENT SITE IS APPROXIMATELY 321 ACRES LOCATED AT THE NORTHWEST CORNER OF CORRAL HOLLOW ROAD AND LINNE ROAD. APPLICATION DA13-0002; APPLICANT IS THE SURLAND COMMUNITIES LLC
6. PUBLIC HEARING TO CONSIDER AN AMENDMENT TO THE 2770 NORTH NAGLEE ROAD PRELIMINARY AND FINAL DEVELOPMENT PLAN TO REMOVE THE EXISTING RESTAURANT BUILDING AND REPLACE IT WITH A 5,671 SQUARE FOOT RESTAURANT WHILE RETAINING THE PARKING AND LANDSCAPE IMPROVEMENTS. APPLICANT IS RED ROBIN GOURMET INTERNATIONAL AND OWNER IS TRACY MALL PARTNERS, LP
7. DISCUSS AND PROVIDE DIRECTION RELATING TO SUBMITTING A MEASURE TO THE VOTERS AT THE NOVEMBER 4, 2014 GENERAL MUNICIPAL ELECTION TO CHANGE THE TERM OF MAYOR FROM TWO TO FOUR YEARS
8. RECEIVE PRESENTATION ON A CITYWIDE AQUATIC SOLUTION AND PROVIDE INPUT AND DIRECTION TO STAFF
9. APPROVE AN AGREEMENT WITH TYLER TECHNOLOGIES, INC. FOR AN ENTERPRISE RESOURCE PLANNING SYSTEM INCLUDING IMPLEMENTATION, SUPPORT, LICENSING AND SAAS SERVICES
10. ACCEPT STATUS REPORT ON THE CITY'S INTERNAL CONTROL WORK PLAN
11. COUNCIL DISCUSSION AND DIRECTION REGARDING A PUBLIC RECORDS ACT REQUEST LOG
12. ITEMS FROM THE AUDIENCE
13. STAFF ITEMS
  - A. Interim City Manager's Informational Update
14. COUNCIL ITEMS
15. ADJOURNMENT

JOINT TRACY CITY COUNCIL/PARKS AND COMMUNITY SERVICES COMMISSION  
SPECIAL MEETING MINUTES

**February 4, 2014, 6:00 p.m.**

City Council Chambers, 333 Civic Center Plaza

Web Site: [www.ci.tracy.ca.us](http://www.ci.tracy.ca.us)

Mayor Ives called the City Council to order at 6:00 p.m.

Roll call found Council Members Manne, Rickman, Young, Mayor Pro Tem Maciel and Mayor Ives present.

Chairperson Jiminez called the Parks and Community Services Commission to order at 6:08 p.m.

Roll call found Commissioners Gouveia, Holguin, Vice Chair Birk and Chair Jiminez present; Commissioners Jayne, Johnson and Saltzman absent.

3. ITEMS FROM THE AUDIENCE – None.
4. ACCEPT AND DISCUSS REPORT ON CURRENT AND FUTURE SENIOR NEEDS AND PROVIDE DIRECTION - Jolene Jaurequi, Recreation Coordinator, provided the staff report. At the July 2, 2013, City Council meeting, Council directed staff to explore the formation of a Senior Steering Committee to guide a series of community conversations with the public. Additionally, Council appropriated \$10,000 to hire a consultant to assist with facilitating the Community Conversations and prepare and present a report summarizing the findings.

The City of Tracy selected *The Consulting Team, LLC*, who facilitated the community conversation meetings. Key consultants, including Dr. Manning, Ms. Schmitz, and Ms. Weimer serve on several non-profit boards in their respective communities which keep them informed about current community needs, including seniors.

On October 1, 2013, Council appointed the seven-member Senior Steering Committee, which consisted of four Commission representatives and three at-large resident representatives. The seven members included Walter Gouveia (Parks and Community Services Commission), Jass Sangha (Planning Commission), Mercedes Silveira (Tracy Arts Commission), Daniel Ramey (Transportation Commission), Cynthia Gustafson, (Resident representative), Brent Riddle (Resident representative), and Bill Aragon (Resident representative).

On November 7, 2013, Dr. Manning and Ms. Schmitz met with City staff from Code Enforcement, Recreation, Fire, Police and the Transportation Divisions. The intent of the meeting was to better understand how the City's various departments interact with senior-related issues. Staff from the designated divisions attended the community conversation meetings to assist with facilitating small group discussions, answer questions and provide resource materials at the meetings.

On November 18, 2013, Ms. Schmitz held a pre-planning meeting with the seven-member Senior Steering Committee. The purpose of the meeting included: meet and greet between consultant and seven committee members; set parameters of the upcoming community conversation meetings; set date, time, and location of the two

community conversation meetings with the public; define the role of the Senior Steering Committee at the community conversation meetings; and review proposed agenda for the Community Conversation Meetings. The Senior Steering Committee selected Monday, December 9, 2013, to host the two community conversations. The first meeting was held at 10:00 a.m., and a second meeting was held at 6:00 p.m. The meetings were held at the Tracy Community Center.

The information gathered are the results from a total of 43 community members who attended the community conversation meetings. The following are key areas that received positive comments: Senior Center programs and activities, fairs, and classes (25); community of Tracy (16); county, state, and federal programs (8); transportation (1); volunteer programs (9); communications and informational material (4); discounts and scholarships (1).

Key areas receiving comments on issues and needs were Senior Center programs and activities, fairs, and classes (34); Senior Center facility issues (18); public and home safety (49); community of Tracy amenities and concerns (24); transportation (11); county, state, and federal programs (5); communication and informational material (23); care-giving needs (9); volunteer programs (9); discounts and scholarships (3).

Based on the results from the community conversation meetings, staff recommended the following options for City Council to consider:

- Effective May 2015, during Older Americans Month, the City will host a community conversation meeting. The meeting will be open and marketed to the entire community. The purpose will be to identify and discuss current and future needs for Tracy seniors. The results of this meeting will be presented to the Parks and Community Services Commission and the Council annually.
- Interviews for all Commissions should include specific senior services related questions as part of the interview process.
- Staff will provide quarterly reports to the Parks and Community Services Commission on senior related items.
- Senior Center and staff will continue to be the resource hub to connect seniors and their families to local and county services via email, in person, by phone or mail.
- Increase the Lolly Hansen Senior Center daily operating hours by 1.5 hours from 9:00 a.m. to 3:00 p.m. to new proposed time 8:30 a.m. to 4:00 p.m. Additionally increase fitness offerings to include daily afternoon classes at the Senior Center. Should Council approve increasing Senior Center hours and fitness offerings, it will require an appropriation from the General Fund.
- Consider the Senior Center for expansion or new facility as part of the CIP process.
- Present findings to other applicable organizations and agencies to encourage the enhancement of existing senior services or implementation of new activities.

Staff recommended that City Council and the Parks and Community Services Commission discuss and accept the report on the current and future needs of senior citizens in Tracy based on the results from the Community Conversations and provide direction to staff.

Elaine Schmitz provided a presentation regarding strengths, limitations, conditions and needs of senior services. Ms. Schmitz added that senior participants ranged over four decades and that senior needs, interests, and financial capacity vary over this time line. Ms. Schmitz indicated further research may be needed to divide the four decades of seniors represented into three smaller segments. Ms. Schmitz added that safety was a concern mentioned 49 times.

Commissioner Holguin asked what concerns were mentioned in the 49 comments regarding safety. Ms. Jauregui stated the comments were included in Attachment A of the report.

Chair Jimenez referred to page 12 of the report which listed priorities, specifically that seniors believe there is a lack of communication and dissemination of information, the desire for a senior website, a need for self-worth and the ability for seniors to give back. Chair Jimenez asked what groups the report referred to when it stated to include agencies and other operational groups. Ms. Jauregui stated San Joaquin County Department of Aging, and other local senior agencies.

Chair Jimenez asked what type of information would be provided that was not currently included in the quarterly report to the Commission. Kim Scarlata, Recreation Program Manager, stated the proposal would be to bring a senior specific item for discussion during the meeting. Ms. Scarlata stated what was currently provided was a general recreation report or an overview of senior activities.

Commissioner Gouveia stated he participated in the process and found it to be objective, inclusive and included requests for changes in the future.

Council Member Rickman thanked the consultant for the report and asked if anything would be implemented as a result of the report. Ms. Scarlata stated the next steps outlined by staff could be implemented immediately, except extending the Senior Center hours which would need an appropriation by Council.

Mayor Pro Tem Maciel stated the largest category was safety which covered a wide range of items including quality of lights, crosswalks, tree trimming, sidewalks, and seniors being victimized by on-line scams. Mayor Pro Tem Maciel indicated he believed it would be easy for staff to begin addressing some of these concerns.

Council Member Manne stated he appreciated the breakdown of the meeting and asked if the 43 participants included the steering committee or staff. Ms. Schmitz stated no.

Council Member Manne asked why the steering committee participated in an observer role. Ms. Scarlata stated the purpose of the steering committee was to receive input from the participants that attended the community conversations. Ms. Scarlata added that they were part of the process but did not participate in the focus groups.

Council Member Manne stated he and Council Member Young interviewed a wide variety of individuals to be on the committee with the impression that they would participate in the event because they made up a strong core of individuals working in senior related professions. Council Member Manne asked if members of the Steering Committee participated, added comments to, and was there a value in having the Committee. Ms. Scarlata stated staff believed there was a value in having the Committee and they took an objective goal in gathering the data.

Council Member Manne asked if the Committee actively provided feedback or was involved in putting the presentation together. Ms. Schmitz indicated the Steering Committee provided significant input regarding how the meetings should be conducted and what should be included in the meetings. Ms. Schmitz further indicated the Committee was active in meeting and greeting seniors, talking to the seniors about their interests and were able to share information.

Commissioner Gouveia added that he received many calls from seniors asking that he bring the caller's concerns to the meeting.

Council Member Manne asked if there has been an increase in the number of participants since the Lolly Hansen Senior Center was expanded. Ms. Scarlata stated when the outdoor expansion was complete staff did expect to have increased participation.

Council Member Manne asked if "May 2015" was a typographical error in the report. Ms. Scarlata stated no, that staff anticipates an annual event to be held in conjunction with Older Americans Month.

Chair Jiminez responded to a question raised by Council Member Manne regarding if the process was a value to the Commission. Chair Jiminez stated the process was of value by allowing seniors to identify issues and allowing staff to respond.

Council Member Young stated she and Council Member Manne interviewed the three at-large committee members and that they wrestled with whom to choose to work with the other commission members. Council Member Young stated it would be tragic if the committee members were not able to articulate some of the issues that came out of the discussions. Council Member Young stated she was not sure how effective it was to have that many people on the Steering Committee.

Council Member Young referred to a quarterly report on senior related items asking if those items would be looked at by the Commission that it falls under. Ms. Scarlata stated yes, noting senior programming which falls under the Parks and Community Services Commission and affordable housing which falls under the Planning Commission.

Council Member Young asked if information is passed on to the various Commissions. Ms. Scarlata stated yes. Council Member Young suggested as part of the next steps a quarterly report be provided to the relevant Commissions.

Council Member Young asked if a list could be put together of the issues raised and the departments that the issues are being directed to. Ms. Scarlata stated staff will be working with the appropriate departments to assign some of the concerns. Ms. Scarlata suggested an annual joint Parks Commission and Council meeting to discuss the issues and what has been accomplished throughout the year.

Mayor Ives invited members of the public to address the Council/Commission.

Cindy Gustafson, Steering Committee member, stated she was concerned with the baby boomer age group and that she did not believe adding hours to the Senior Center would do much. Ms. Gustafson stated she would like to see the formation of a Senior Advisory

Commission that would address senior concerns, take care of issues, and serve seniors better.

Jass Sangha, representing the Planning Commission on the Steering Committee, stated she wanted everyone to realize that there were pros and cons regarding the committee. Ms. Sangha stated she was concerned that a bureaucratic system will not help. Ms. Sangha added that safety was mentioned multiple times, and the main concern of seniors was not about forming a commission, but where they can go to get answers.

Robert Tanner stated he attended the morning session where the seniors were very vocal about what they wanted. Mr. Tanner stated commissions already exist that can address many of the senior concerns and that having another commission was not needed. Mr. Tanner further stated he believed what was needed was an annual meeting to discuss senior concerns.

Brent Riddle, Steering Committee member, stated he believed the Steering Committee was ineffective. Mr. Riddle stated he did not believe the Steering Committee was able to assist the consultant, did not help set the agenda, set the dates, determine how many dates, and could not participate in the community meeting. Mr. Riddle added that the Steering Committee also had no input on the report that was provided to the Council/Commission. Mr. Riddle further stated additional input was still needed from the community. Mr. Riddle stated the issues raised do cross many departments and believes that one point of contact or commission could be effective in disseminating the information and assist the seniors in giving them one place to obtain information.

Mercedes Silveira, Steering Committee Member, stated the Committee was given clear direction on what their role was; to observe. Ms. Silveira stated the purpose of the meeting was to let the seniors be heard and for the Committee to not influence comments of the seniors. Ms. Silveira stated the Committee ensured that every senior had an opportunity to speak and that the conversations were not monopolized by one person. Ms. Silveira further stated the Committee ensured that the comments of seniors were accurately recorded. Ms. Silveira added that the Committee did provide input in the report and decided which dates the meetings were held.

Mayor Ives referred to the list of items and comments made during the meetings, suggesting that it come back as a package, categorized and cataloged.

Council Member Young stated she did not believe the process was successful in getting everyone at the meeting that should have been there. Council Member Young further stated she did not believe the Steering Committee members had the opportunity to share their expertise which was a disservice to them. Council Member Young stated she still believes a Senior Commission is needed and should be considered as part of the next steps.

Chair Jiminez stated senior issues and concerns were expressed to staff in the past and improvements were made. Chair Jiminez suggested that the City be more proactive and of better service to seniors. Chair Jiminez indicated she would like to take the feedback from the steering committee to the Parks Commission and see what the Commission can do to better serve seniors.

Mayor Ives asked if the standard protocol involved forwarding the report to the Parks and Community Services Commission. Ms. Scarlata stated yes.

5. ADJOURNMENT - It was moved by Commissioner Gouveia and seconded by Commissioner Holguin to adjourn. Voice vote found Gouveia, Holguin, Vice Chair Birk and Chair Jiminez in favor; Commissioners Jayne, Johnson and Saltzman absent. Time: 7:22 p.m.

It was moved by Mayor Pro Tem Maciel and seconded by Council Member Manne to adjourn. Voice vote found all in favor; passed and so ordered. Time: 7:22 p.m.

The above agenda was posted at the Tracy City Hall on January 30, 2014. The above are summary minutes. A recording is available at the office of the City Clerk.

---

Mayor

---

City Clerk

**February 4, 2014, 5:30 p.m.**

City Council Chambers, 333 Civic Center Plaza

Web Site: [www.ci.tracy.ca.us](http://www.ci.tracy.ca.us)

1. CALL TO ORDER – Mayor Ives called the meeting to order at 5:30 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. REQUEST TO CONDUCT CLOSED SESSION –
  - Personnel Matter (Gov. Code, § 54957)  
Public Employee Appointment, Employment, Evaluation of Performance, Discipline, or Dismissal  
  
Position Title: City Manager
  - Pending Litigation (Gov. Code, § 54956.9(d)(2))  
Application to Present Late Claim from Cleshawn Ramon Jackson
5. MOTION TO RECESS TO CLOSED SESSION – Mayor Pro Tem Maciel motioned to recess the meeting to closed session at 5:31 p.m. It was seconded by Council Member Rickman. Voice vote found all in favor; passed and so ordered.
6. RECONVENE TO OPEN SESSION – Mayor Ives reconvened the meeting into open session at 5:58 p.m.
7. REPORT OF FINAL ACTION – In the matter of the request to present a late claim on behalf of Cleshawn Ramon Jackson, it was moved by Mayor Pro Tem Maciel to deny the application and direct staff to send notice to the claimant in accordance with Government Code section 911.8. Council Member Manne seconded the motion. Voice vote found all in favor; passed and so ordered.
8. ADJOURNMENT – It was moved by Mayor Pro Tem Maciel and seconded by Council Member Rickman to adjourn the meeting. Voice vote found all in favor; passed and so ordered. Time: 5:59 p.m.

The above agenda was posted at City Hall on January 30, 2014. The above are action minutes.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

**February 18, 2014, 6:30 p.m.**

City Council Chambers, 333 Civic Center Plaza

Web Site: [www.ci.tracy.ca.us](http://www.ci.tracy.ca.us)

1. CALL TO ORDER – Mayor Ives called the meeting to order at 6:30 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, Mayor Pro Tem Maciel and Mayor Ives present; Council Member Young absent.
3. ITEMS FROM THE AUDIENCE – None.  
  
Council Member Young joined the meeting at 6:31 p.m.
4. REQUEST TO CONDUCT CLOSED SESSION –
  - I. Pending Litigation (Gov. Code, § 54956.9(d)(2))  
  
Gregory Farmanian v. City of Tracy  
(Workers' Compensation Case FR 130499)
5. MOTION TO RECESS TO CLOSED SESSION – Mayor Pro Tem Maciel motioned to recess the meeting to closed session at 6:31 p.m. It was seconded by Council Member Manne. Voice vote found all in favor; passed and so ordered.
6. RECONVENE TO OPEN SESSION – Mayor Ives reconvened the meeting into open session at 6:39 p.m.
7. REPORT OF FINAL ACTION – None.
8. ADJOURNMENT – It was moved by Mayor Pro Tem Maciel and seconded by Council Member Rickman to adjourn the meeting. Voice vote found all in favor; passed and so ordered. Time: 6:40 p.m.

The above agenda was posted at City Hall on February 13, 2014. The above are action minutes.

---

Mayor

ATTEST:

---

City Clerk

AGENDA ITEM 1.B

REQUEST

**AUTHORIZATION TO SUBMIT THE ANNUAL CLAIM TO THE STATE OF CALIFORNIA, THROUGH THE SAN JOAQUIN COUNCIL OF GOVERNMENTS FOR TRANSPORTATION DEVELOPMENT ACT FUNDS IN THE AMOUNT OF \$4,183,867 FOR FISCAL YEAR 2013-2014, AND FOR THE DIRECTOR OF ADMINISTRATIVE SERVICES TO EXECUTE THE CLAIM**

EXECUTIVE SUMMARY

The City of Tracy (City) annually receives funds from the Transportation Development Act (TDA). Authorization to submit the claim is necessary for the City to continue to receive TDA funding. The amount the City will claim for FY 2013-2014 from the Local Transportation Fund (LTF) and the State Transit Assistance Fund (STA) is \$4,183,867. TDA funds are used for City TRACER operations, capital, streets and roads, and pedestrian and bike paths.

DISCUSSION

Under the provisions of the Transportation Development Act (TDA), the City is required to make an annual claim for funds apportioned to the City under the Local Transportation Fund (LTF) and the State Transit Assistance Fund (STA). This claim is made to the State through the San Joaquin Council of Governments.

The available TDA funding for FY 2013-2014 for the City of Tracy under the LTF and STA is \$4,881,495. The amount the City will claim is \$4,183,867.

Public Transportation:

Operating	Article 8, 99400 (c)	\$ 815,109
Capital	Article 8, 99400 (e)	\$ 232,908
Roads and Streets	Article 8, 99400 (a)	\$ 3,001,891
Pedestrians and Bicycles	Article 3, 99234	\$ 52,669
TDA Administration		<u>\$ 81,290</u>
	Total:	\$ 4,183,867

The difference of \$697,550 is the unclaimed apportionment under the Local Transportation Fund (\$692,928) and the State Transit Assistance Fund (\$4,622). These funds will be available to the City in future years when requested for applicable project/program reimbursement.

STRATEGIC PLAN

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

FISCAL IMPACT

There is no impact to the General Fund. Authorization to submit the claim is necessary for the City to continue to receive TDA funding. Such funding is already budgeted for FY 2013-2014 for the transit program and to support various street programs.

RECOMMENDATION

That City Council approve, by resolution, the claim for TDA funds for FY 2013-2014 in the amount of \$4,183,867 and authorize the Director of Administrative Services to execute the claim.

Prepared by: Ed Lovell, Management Analyst II

Reviewed by: David Ferguson, Director of Public Works  
Allan J. Borwick, Budget Officer  
Gary Hampton, Interim Assistant City Manager

Approved by: Maria A. Hurtado, Interim City Manager

RESOLUTION \_\_\_\_\_

AUTHORIZING THE SUBMISSION OF THE ANNUAL CLAIM TO THE STATE OF CALIFORNIA, THROUGH THE SAN JOAQUIN COUNCIL OF GOVERNMENTS, FOR TRANSPORTATION DEVELOPMENT ACT FUNDS IN THE AMOUNT OF \$4,183,867 FOR FISCAL YEAR 2013-2014, AND AUTHORIZING THE ADMINISTRATIVE SERVICES DIRECTOR TO EXECUTE THE CLAIM

WHEREAS, Under the provisions of the Transportation Development Act (TDA), the City is required to make an annual claim to the State of California for funds apportioned to the City under the Local Transportation Fund and the State Fund, and

WHEREAS, The City's FY 2013-2014 claim under the Local Transportation Fund and the State Transit Assistance Fund is \$4,183,867, and

WHEREAS, Unclaimed amounts are carried forward to the next fiscal year for use in that time period;

NOW, THEREFORE, BE IT RESOLVED, That City Council authorizes a claim for TDA Funds for FY 2013-2014 in the amount of \$4,183,867 (Local Transportation Fund and State Transit Assistance Fund), to the State of California, through the San Joaquin Council of Governments, and authorizes the Director of Administrative Services to execute the claim.

\* \* \* \* \*

The foregoing Resolution \_\_\_\_\_ was adopted by Tracy City Council on the 20<sup>th</sup> day of May, 2014, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

May 20, 2014

AGENDA ITEM 1.C

REQUEST

**APPROVAL OF THE SAN JOAQUIN COUNCIL OF GOVERNMENTS (SJCOG)  
ANNUAL FINANCIAL PLAN FOR FY 2014-2015**

EXECUTIVE SUMMARY

Ratification of the SJCOG Annual Financial Plan.

DISCUSSION

The Joint Powers Agreement between member agencies and the SJCOG requires that the Annual Financial Plan be sent to member agencies for ratification by each governing body.

Attached is correspondence from SJCOG dated April 16, 2014, requesting the City ratify the Plan prior to June 30, 2014; Resolution R-14-22 adopting the Plan, and a copy of the Annual Financial Plan (Attachment A).

STRATEGIC PLAN

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

FISCAL IMPACT

There is no fiscal impact as a result of this agenda item.

RECOMMENDATION

Staff recommends that City Council, by resolution, ratify the SJCOG Annual Financial Plan for FY 2014-2015.

Prepared by: Sandra Edwards, City Clerk

Reviewed by: Gary Hampton, Interim Assistant City Manager

Approved by: Maria A. Hurtado, Interim City Manager

Attachment A - San Joaquin Council of Government's Annual Financial Plan for FY 2014-15



## SAN JOAQUIN COUNCIL OF GOVERNMENTS

555 E. Weber Avenue • Stockton, California 95202

209.235.0600 • 209.235.0438 (fax)

www.sjco.org



Jeff Laugero  
CHAIR

Steve Dresser  
VICE CHAIR

Andrew T. Chesley  
EXECUTIVE DIRECTOR

*Member Agencies*

CITIES OF  
ESCALON,  
LATHROP,  
LODI,  
MANTECA,  
REPON,  
STOCKTON,  
TRACY,  
AND  
THE COUNTY OF  
SAN JOAQUIN

April 16, 2014

Ms. Maria Hurtado  
Acting City Manager  
City of Tracy  
333 Civic Center Plaza  
Tracy, CA 95376

Dear Ms. Hurtado:

Enclosed is a summary of the San Joaquin Council of Governments' Annual Financial Plan (AFP) for Fiscal Year 2014-15. The Board adopted the Plan on March 27, 2014. A copy of the adopting resolution is enclosed. Pursuant to SJCOG's Joint Powers Agreement, following adoption of the budget by the SJCOG Board, it is to be delivered to member agencies for ratification by each governing body. Approval by governing bodies representing 55% or more of the county's population is considered ratification.

Therefore, SJCOG requests you place SJCOG's Annual Financial Plan for Fiscal Year 2014-15 on a forthcoming agenda prior to June 30, 2014 for approval.

The Annual Financial Plan implements the FY 2014-15 Overall Work Program (OWP) that was also adopted by the SJCOG Board on March 27, 2014.

The attached Annual Financial Plan (AFP) Board Summary provides a detail of expenditures by cost category and line item comparing the proposed FY 2014/15 budgets with the current year (FY 2013/14) adopted budget as most recently amended and actual revenue and expenditures in FY 2012/13. The Annual Financial Plan represents the general fund budget for SJCOG. The revenues and expenditures in the AFP are the same as the Overall Work Program (OWP) presented in a traditional line item format vis-à-vis the work element format of the OWP.

The attached summary includes the general fund revenues and expenditures and also identifies other funds over which SJCOG has fiduciary responsibility by either actually receiving and allocating, passing through or programming through such documents as the State and Federal Transportation Improvement Programs.

## REVENUES

Compared to the current year amended AFP, SJCOG general fund operating revenues are decreased by approximately \$444,794 from \$8,367,660 to \$7,922,866. Budgeted expenditures are \$7,922,866. Overall, federal funding for operating is \$106,000 lower than FY 2011/12 due to completion or near completion of several grants. State funding sources are down \$421,000 primarily due to the complete spending down of Freeway Service Patrol funds carried over from previous years. Local revenues are nearly \$82,000 higher due to sales tax-based funding continuing to rebound. This is equally good news for SJCOG member agencies and Local Transportation Fund claimants that will be receiving more Measure K local street repair funds and transit funding.

## EXPENDITURES

Salaries and Benefits are proposed to climb slightly, increasing 3.3% when compared to FY 13/14 levels, as certain salaries are adjusted for anticipated work levels and the anticipation of filling the vacant Public Communications Officer position. The salary-driven benefits adjust accordingly.

Services and Supplies is proposed to be the same as FY 13/14.

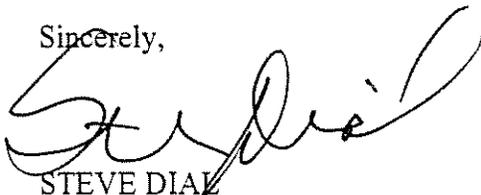
Professional Services is decreasing 16% reflecting the level of anticipated consulting work in the OWP.

Fixed Assets is decreased by \$20,000 reflecting the one-time expenditure of Air District funds for the hybrid vehicle.

SJCOG staff would be pleased to appear before your policymakers to answer any questions they might have regarding this matter. **We request ratification prior to June 30, 2014.** Please let me know when this will be on your agenda. If you have any questions regarding this matter, don't hesitate to contact me at 235-0600.

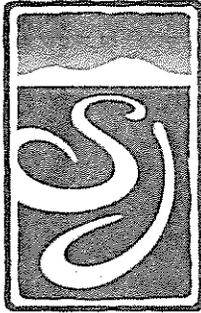
Thank you for your assistance.

Sincerely,



STEVE DIAL

Deputy Executive Director/Chief Financial Officer



**San Joaquin Council of Governments  
ANNUAL FINANCIAL PLAN  
Fiscal Year 2014/15**

Proposed March 27, 2014

**CHAIR**

Councilmember Jeff Laugero, City of Escalon

**VICE-CHAIR**

Councilmember Steve Dresser, City of Lathrop

**BOARD OF DIRECTORS**

Mayor Pro Tem Larry Hansen  
Mayor Pro Tem Steve DeBrum  
Mayor Chuck Winn  
Supervisor Ken Vogel  
Supervisor Carlos Villapudua  
Supervisor Steve Bestolarides  
Mayor Anthony Silva  
Councilmember Elbert Holman  
Councilmember Moses Zapien  
Mayor Brent Ives

City of Lodi  
City of Manteca  
City of Ripon  
County of San Joaquin  
County of San Joaquin  
County of San Joaquin  
City of Stockton  
City of Stockton  
City of Stockton  
City of Tracy

**EX OFFICIO DIRECTORS**

Ken Baxter  
Gary Giovanetti, Director  
Victor Mow, Commissioner

Caltrans District 10  
San Joaquin Regional Transit District  
Port of Stockton

**SUBMITTED BY:**

Andrew T. Chesley  
Executive Director

Steve Dial  
Deputy Executive Director/  
Chief Financial Officer

**San Joaquin Council of Governments**  
**ANNUAL FINANCIAL PLAN**  
**Fiscal Year 2014/15**  
**Proposed March 27, 2014**

REVENUES	FY 2012-13 Actual	FY 2013-14 Amend. #1	FY 2014-15 Proposed 3/27/14	+/- Change
Federal Grants	\$ 2,051,653	\$ 2,503,638	\$ 2,398,348	\$ (105,290)
State Grants	\$ 820,731	\$ 2,175,050	\$ 1,753,700	\$ (421,350)
Local	\$ 3,240,992	\$ 3,668,971	\$ 3,750,818	\$ 81,847
Interest	\$ 5,158	\$ 5,000	\$ 5,000	\$ -
Other	\$ 2,633	\$ 15,000	\$ 15,000	\$ -
<b>SJCOG OPERATING REVENUE</b>	<b>\$ 6,121,168</b>	<b>\$ 8,367,660</b>	<b>\$ 7,922,866</b>	<b>\$ (444,794)</b>

EXPENDITURES				
Salaries & Benefits	\$ 3,461,739	\$ 3,682,482	\$ 3,803,775	\$ 121,293
Services & Supplies	\$ 731,419	\$ 1,091,600	\$ 1,091,600	\$ -
Office Expense	\$ 125,455	\$ 255,800	\$ 255,800	\$ -
Communications	\$ 51,399	\$ 60,000	\$ 60,000	\$ -
Memberships	\$ 33,562	\$ 42,000	\$ 42,000	\$ -
Maintenance - Equipment	\$ 4,569	\$ 13,000	\$ 13,000	\$ -
Rents & Leases - Equipment	\$ 144,076	\$ 210,000	\$ 210,000	\$ -
Transportation, Travel & Training (In & Out of State)	\$ 96,052	\$ 110,000	\$ 110,000	\$ -
Publications & Legal Notices	\$ 3,227	\$ 27,000	\$ 27,000	\$ -
Insurance	\$ 91,666	\$ 103,000	\$ 103,000	\$ -
Building Maintenance	\$ 161,490	\$ 170,800	\$ 170,800	\$ -
Debt Service	\$ 19,923	\$ 100,000	\$ 100,000	\$ -
Professional Services	\$ 1,696,236	\$ 3,433,078	\$ 2,886,991	\$ 980,158
Capital Outlay	\$ 170,562	\$ 160,500	\$ 140,500	\$ 20,000
Unallocated/Reserve				0
<b>SJCOG OPERATING EXPENDITURES</b>	<b>\$ 6,059,956</b>	<b>\$ 8,367,660</b>	<b>\$ 7,922,866</b>	<b>\$ 1,021,158</b>

Excess (Deficit) Revenues	\$ 61,212	\$ 0	\$ 0
Over Expenditures (Operating)			

San Joaquin Council of Governments  
ANNUAL FINANCIAL PLAN  
Fiscal Year 2014/15

**SERVICE AND SUPPLIES**

Title	Line Item Description	FY 2012-13 Actual	FY 2013-14 Amend. #1	FY 2014-15 Proposed 3/27/14
Office Expense - General	General Supplies	\$ 59,397	\$ 75,000	\$ 75,000
	Recognitions	\$ -	\$ 10,000	\$ 10,000
	Printing	\$ 10,172	\$ 25,000	\$ 25,000
	Noncapital Equip/Furniture	\$ 8,821	\$ 5,000	\$ 5,000
	Computer Software	\$ 39,432	\$ 100,000	\$ 100,000
<b>Office Expense - General Subtotal</b>		<b>\$ 117,822</b>	<b>\$ 215,000</b>	<b>\$ 215,000</b>
<b>Office Expense - Postage Subtotal</b>		<b>\$ 6,508</b>	<b>\$ 36,800</b>	<b>\$ 36,800</b>
<b>Office Expense - Subscriptions Subtotal</b>		<b>\$ 1,125</b>	<b>\$ 4,000</b>	<b>\$ 4,000</b>
<b>Office Expense - Subtotal</b>		<b>\$ 125,455</b>	<b>\$ 255,800</b>	<b>\$ 255,800</b>
<b>Communications-Subtotal</b>		<b>\$ 51,399</b>	<b>\$ 60,000</b>	<b>\$ 60,000</b>
<b>Memberships - Subtotal</b>		<b>\$ 33,562</b>	<b>\$ 42,000</b>	<b>\$ 42,000</b>
<b>Maintenance - Equipment - Subtotal</b>		<b>\$ 4,569</b>	<b>\$ 13,000</b>	<b>\$ 13,000</b>
<b>Rents &amp; Leases - Equipment - Subtotal</b>		<b>\$ 144,076</b>	<b>\$ 210,000</b>	<b>\$ 210,000</b>
<b>Publications &amp; Legal Notices - Subtotal</b>		<b>\$ 3,227</b>	<b>\$ 27,000</b>	<b>\$ 27,000</b>
<b>Insurances - Subtotal</b>		<b>\$ 91,666</b>	<b>\$ 92,000</b>	<b>\$ 103,000</b>
<b>Building Maintenance - Subtotal</b>		<b>\$ 161,490</b>	<b>\$ 170,800</b>	<b>\$ 170,800</b>
<b>Interest Building Debt Service - Subtotal</b>		<b>\$ 19,923</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>
<b>TOTAL SERVICES &amp; SUPPLIES</b>		<b>\$ 635,367</b>	<b>\$ 970,600</b>	<b>\$ 981,600</b>

**San Joaquin Council of Governments**  
**ANNUAL FINANCIAL PLAN**  
**Fiscal Year 2014/15**

	FY 2012-13 Actual	FY 2013-14 Amend. #1	FY 2014-15 Proposed 3/27/14
In and Out of State Travel	\$ 58,776	\$ 77,500	\$ 77,500
Training	\$ 36,376	\$ 31,500	\$ 31,500
Rideshare Incentive	\$ 900	\$ 1,000	\$ 1,000
<b>Transportation &amp; Travel - Subtotal</b>	<b>\$ 96,052</b>	<b>\$ 110,000</b>	<b>\$ 110,000</b>

San Joaquin Council of Governments  
**ANNUAL FINANCIAL PLAN**  
 Fiscal Year 2014/15

**FIXED ASSETS**

<i>Title</i>	<i>Description</i>	FY 2012-13 Actual	FY 2013-14 Amend. #1	FY 2014-15 Proposed 3/27/14
	Office Furniture/Equipment		\$ 25,000	\$ 25,000
	Replacement Printers (2)	\$ 5,464	\$ 5,500	\$ 5,500
	Server Upgrade		\$ 30,000	\$ 30,000
	Air District Car		\$ 20,000	
	Computer Upgrades	\$ 10,613	\$ 20,000	\$ 20,000
	Capitalized Building Maintenance	\$ 154,485	\$ 60,000	\$ 60,000
<b>TOTAL</b>		<b>\$ 170,562</b>	<b>\$ 160,500</b>	<b>\$ 140,500</b>

**San Joaquin Council of Governments**  
**ANNUAL FINANCIAL PLAN**  
**Fiscal Year 2014/15**

**PROFESSIONAL SERVICES**

<i>Work Element No./Project Description</i>	FY 2012-13 Actual	FY 2013-14 Amend. #1	FY 2014-15 Proposed 3/27/14
601.01--Regional Transportation Plan	\$ 63,599	\$ 250,000	\$ 50,000
601.02--Regional Planning Studies	\$ 29,683	\$ 150,000	\$ 50,000
602.01--RTIP	\$ -	\$ -	\$ -
603.01--Road & Street Monitoring	\$ -	\$ 75,000	\$ 75,000
603.02--Transit Coordination	\$ 136,174	\$ 50,000	\$ 50,000
603.03--Transportation Air Quality	\$ 158,506	\$ 275,200	\$ 275,200
603.04--Goods Movement	\$ 21,292	\$ -	\$ -
701.01--Technical Assistance	\$ -	\$ 72,900	\$ 50,000
801.01--Intergovernmental Coordination	\$ 78,550	\$ 94,000	\$ 94,000
801.02--Projections & Forecasts	\$ 55,419	\$ 55,000	\$ 55,000
801.03--Airport Land Use Commission	\$ 3,763	\$ 25,000	\$ 117,000
801.04--Congestion Management	\$ 98,416	\$ 150,000	\$ 100,000
801.05--Regional Planning	\$ -	\$ -	\$ -
801.06--Valley MPO Coordination	\$ 17,457	\$ 35,000	\$ 35,000
801.07--Interregional Partnerships	\$ -	\$ -	\$ -
801.09--SJCOG Inc	\$ 602	\$ 25,000	\$ -
901.01--Measure K	\$ 61,521	\$ 75,000	\$ 35,000
901.02--RTIF	\$ 5,172	\$ -	\$ -
901.03--Smart Growth	\$ -	\$ -	\$ -
1001.01--COG OWP	\$ -	\$ 5,000	\$ 5,000
1001.02--TDA Administration	\$ 174,141	\$ 175,000	\$ 175,000
1001.03--Community Involvement	\$ 14,829	\$ 18,958	\$ 17,500
1001.04--MAP-21 Management	\$ -	\$ 10,000	\$ 10,000
1101.01--Transportation Demand Management	\$ 96,681	\$ 200,000	\$ 125,000
1201.01--Freeway Service Patrol	\$ 584,185	\$ 1,268,100	\$ 1,268,100
Indirect	\$ 96,246	\$ 423,920	\$ 300,191
<b>TOTAL</b>	<b>\$ 1,696,236</b>	<b>\$ 3,433,078</b>	<b>\$ 2,886,991</b>



**RESOLUTION**  
**SAN JOAQUIN COUNCIL OF GOVERNMENTS**

**R-14-22**

RESOLUTION APPROVING THE ADOPTION OF THE 2014-15  
ANNUAL FINANCIAL PLAN  
FOR THE SAN JOAQUIN COUNCIL OF GOVERNMENTS

WHEREAS, the San Joaquin Council of Governments is required by the Joint Powers Agreement to adopt a budget (Annual Financial Plan) annually, and

WHEREAS, the adopted budget is to be sent to the member agencies for ratification.

NOW THEREFORE BE IT RESOLVED, that the San Joaquin Council of Governments adopts the FY 2014-15 Annual Financial Plan and directs the Executive Director to transmit it to the member agencies for ratification.

PASSED AND ADOPTED this 27th day of March 2014 by the following vote of the San Joaquin Council of Governments, to wit:

AYES: Supervisor Bestolarides, SJ County; Mayor Pro Tem DeBrum, Manteca; Councilman Dresser, Lathrop; Mayor Pro Tem Hansen, Lodi; Councilman Haskin, Escalon; Councilman Holman, Stockton; Mayor Pro Tem Maciel, Tracy; Mayor Silva, Stockton; Supervisor Villapudua, SJ County; Supervisor Vogel, SJ County; Vice Mayor Winn, Ripon; Councilman Zapien, Stockton.

NOES: None.

ABSENT: None.

STEVE DRESSER  
Chair

RESOLUTION 2014-

APPROVING THE SAN JOAQUIN COUNCIL OF GOVERNMENTS  
ANNUAL FINANCIAL PLAN FOR FY 2014-2015

WHEREAS, The Joint Powers Agreement between the San Joaquin Council of Governments and its member agencies requires the Annual Financial Plan to be ratified by the governing body of each member agency, and

WHEREAS, The Tracy City Council considered the Annual Financial Plan at its meeting of May 20, 2014;

NOW, THEREFORE, BE IT RESOLVED, That City Council hereby approves the San Joaquin Council of Governments Annual Financial Plan for FY 2014-2015.

\* \* \* \* \*

The foregoing Resolution 2014-\_\_ was passed and adopted by the Tracy City Council on the 20<sup>th</sup> day May 2014, by the following vote:

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

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

AGENDA ITEM 1.D

REQUEST

**APPROVE SUPPLEMENTAL APPROPRIATION OF \$100,000 FOR PLAN REVIEW SERVICES IN THE BUILDING SAFETY AND FIRE PREVENTION DIVISION OF THE DEVELOPMENT SERVICES DEPARTMENT**

EXECUTIVE SUMMARY

Accelerating commercial, industrial and residential development within the City of Tracy has created a need for additional funding to accommodate the corresponding outside plan review services occurring at the end of Fiscal Year 2013-2014 (FY13-14).

DISCUSSION

A supplemental appropriation for Plan Review services in the amount of \$100,000 is requested. The factors that have led to this request are as follows:

- FY13-14 had an amended budget amount of \$155,880 for plan review services. As of April 10, 2014, the remaining balance was \$7,265.11.
- The City is currently in receipt of approximately \$26,000 of unpaid invoices for plan review services.
- A number of large scale structures are in plan review; such as Project Delta, the Amazon Expansion Project and Aspire Apartments.
- Additionally, a number of residential developments and tenant improvements have been submitted for review. These projects include the Ventana Residential Subdivision, Master Plan code updates for both Bright and Standard Pacific residential developments, Lyons Crossroads Subdivision, Sports Authority, Mother Lode Plastic Injection Molding, Johns-Manville Roofing Products, Smart & Final, Harbor Freight, Pump-It-Up and Glass-Fab.

It is important to the economic vitality of the City to ensure continued support from its contracted plan review consultants so various project submittals can be expeditiously moved through the plan review process as needed. It is this process that ensures that all development occurring within the City is built with the assurance that the structure, as used to live in, play in or work in, is safe and structurally sound. Although funding for this appropriation will come from the General Fund, these expenses will be fully recovered through the corresponding collection of plan review fees from the respective development applicants.

STRATEGIC PLAN

This agenda item supports both the Governance and Economic Development Strategy and specifically implements the following goals:

- Goal 2 of the Governance Strategy: Ensure continued fiscal sustainability through financial and budgetary stewardship,
- Goal 2 of the Economic Strategy: Attract retail and entertainment uses that offer residents quality dining, shopping and entertainment experiences,

- Goal 4 of the Economic Strategy: Position Tracy as the preferred location for start-up companies and entrepreneurial investments.

FISCAL IMPACT

Funding for this appropriation will come from the General Fund. However, these expenses will be fully recovered through the corresponding collection of plan review fees from the respective development applicants.

RECOMMENDATION

Staff recommends that the City Council, by resolution, approve the supplemental appropriation of \$100,000 for additional outside plan review services for the remainder of FY13-14.

Prepared by: Kevin Jorgensen, Chief Building Official and Fire Code Official

Reviewed by: Andrew Malik, Development Services Director  
Gary Hampton, Interim Assistant City Manager

Approved by: Maria A. Hurtado, Interim City Manager

RESOLUTION 2014-\_\_\_\_\_

APPROVING A SUPPLEMENTAL APPROPRIATION FOR PLAN REVIEW SERVICES IN THE BUILDING SAFETY AND FIRE PREVENTION DIVISION OF THE DEVELOPMENT SERVICES DEPARTMENT

WHEREAS, Accelerating Commercial, Industrial And Residential Development within the City of Tracy has created a need for additional funding to accommodate the corresponding outside plan review services occurring at the end of Fiscal Year 2013-2014 (FY13-14), and

WHEREAS, A supplemental appropriation for Plan Review services in the amount of \$100,000 is requested, and

WHEREAS, FY13-14 had an amended budget amount of \$155,880 for plan review services and as of April 10, 2014, the remaining balance was \$7,265.11, and

WHEREAS, There is a significant increase in the number of large scale structures in plan review such as Project Delta, the Amazon Expansion Project and Aspire Apartments and a number of residential developments and tenant improvements that have been submitted for review, and

WHEREAS, It is important to the economic vitality of the City to ensure continued support from its contracted plan review consultants so that the various project submittals received by the City can be expeditiously moved through the plan review process as needed, and

WHEREAS, Funding for this appropriation will come from the General Fund. However, these expenses will be fully recovered through the corresponding collection of plan review fees from the respective development applicants;

NOW, THEREFORE, BE IT RESOLVED, That City Council approves the supplemental appropriation of \$100,000 for additional outside plan review services for the remainder of FY13-14.

\*\*\*\*\*

The foregoing Resolution 2014-\_\_\_\_\_ was adopted by the Tracy City Council on the 20<sup>th</sup> day of May 2014 by the following vote:

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

\_\_\_\_\_  
MAYOR

ATTEST

\_\_\_\_\_  
CITY CLERK

AGENDA ITEM 1.E

REQUEST

**AUTHORIZE A MAINTENANCE AGREEMENT WITH THE COUNTY OF SAN JOAQUIN AND THE CITY OF TRACY FOR MAINTENANCE OF FOUR TRAFFIC SIGNALS RESULTING FROM THE CORDES RANCH ANNEXATION AND AUTHORIZE THE MAYOR TO EXECUTE THE AGREEMENT**

EXECUTIVE SUMMARY

On September 20, 2013, approximately 1,796 acres were annexed from the County of San Joaquin to the City of Tracy for the purposes of Cordes Ranch. As part of the annexation, the City received additional infrastructure which includes four traffic signals.

DISCUSSION

The City and the County share certain intersections with traffic-actuated signals and street lights which serve both City and County residents. As a result, it is appropriate that the City and the County share the maintenance and operation costs to existing traffic signals as part of the annexation. All costs of maintenance and energy shall be shared between the City and the County and will be based on the percentages as outlined in Exhibit A to the Maintenance Agreement, until such time that changes in the corporate limits of the City alter the ratio of intersection approaches.

The City will perform all work necessary, including the daily operation, maintenance, and inspection of the traffic signal systems and the City shall make all payments for the energy, operation, and maintenance of the traffic signal systems. The City and the County agree to amend the apportionment of costs in the event jurisdictional boundaries change as outlined in the Maintenance Agreement.

STRATEGIC PLAN

This item is not related to one of the Council's Strategic Plans. However, it provides a clear understanding of the maintenance and financial responsibility of the new infrastructure.

FISCAL IMPACT

The total annual cost that will be absorbed by the General Fund is in the tune of \$7,068.27. The City shall bill the County for the County's portion of the cost of the joint operation. The percentage the County shall pay to the City shall be made in quarterly payments pursuant to this Agreement as outlined in Attachment A.

RECOMMENDATION

That City Council, by resolution, authorize the Maintenance Agreement with the County of San Joaquin and City of Tracy for maintenance of four traffic signals resulting from the Cordes Ranch annexation, and authorize the Mayor to execute the Agreement.

Prepared by: David Ferguson, Director of Public Works

Reviewed by: Ripon Bhatia, Engineer  
Gary Hampton, Interim Assistant City Manager

Approved by: Maria A. Hurtado, Interim City Manager

ATTACHMENT

Attachment: A – Agreement for Sharing Cost of San Joaquin County Electrical Facilities

**AGREEMENT FOR SHARING COST OF SAN JOAQUIN COUNTY  
ELECTRICAL FACILITIES WITH THE CITY OF TRACY**

THIS AGREEMENT is made effective this \_\_\_\_\_ day of \_\_\_\_\_, 2014, by and between the City Of Tracy, hereinafter referred to as "CITY", and SAN JOAQUIN COUNTY, hereinafter referred to as "COUNTY".

- I. This Agreement shall supersede and previous Agreement and/or amendments thereto for sharing CITY-incurred costs with COUNTY relative to the identified flashing beacons traffic signals, traffic-signal systems, safety lighting, and sign lighting, hereinafter referred to as "Electrical Facilities" which are listed in the attached Exhibit A, which by this reference, is made a part of this Agreement.
  
- II. The cost of operating and maintaining those Electrical Facilities presently in the Cordes Ranch Annexation of any CITY and any COUNTY street/road shall be shared as shown in Exhibit A.
  
- III. Basis for Billing:
  - A. It is agreed that monthly billings for flashing beacons, traffic signals, and traffic-signal systems shall be based on actual intersection costs, which shall include the following:
    1. Maintenance and Operations
      - Labor, including overhead assessments
      - Other expenses
        - Equipment
        - Materials
        - Miscellaneous expenses
    2. Electrical Energy
  
  - B. It is agreed that monthly billings for safety lighting and sign lighting shall be based on calculated unit costs derived by averaging CITY-wide costs each month, which costs shall include the following:
    1. Maintenance and Operations
      - Labor, including overhead assessments
      - Other expenses
        - Equipment
        - Materials
        - Miscellaneous expenses
    2. Electrical Energy

C. It is agreed that any monthly billings invoiced to COUNTY for CITY-owned and maintained electrical facilities identified in Exhibit A will be based on actual costs paid by CITY when derived from utility company billings. CITY will bill COUNTY monthly in arrears for any COUNTY share of Electrical Facilities expenses as shown in Exhibit A.

IV. Exhibit A will be amended as necessary by written concurrence of both parties to reflect any future changes to the described Electrical Facilities and the power system.

V. CITY obligations, duties, costs and expenses assumed under the terms of this Agreement are conditioned upon the passage of each fiscal year's annual Budget, the allocation of program funding by the City Of Tracy, as appropriate, and the encumbrance of funding to the CITY to pay any future related CITY costs.

VI. This Agreement shall remain in full force and effect until amended by the mutual consent of the parties or terminated by either party upon thirty (#) days' notice to the other party.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year first above written.

CITY OF TRACY

SAN JOAQUIN COUNTY

By \_\_\_\_\_  
DAVID FERGUSON  
Public Works Director

By \_\_\_\_\_  
NAME \_\_\_\_\_  
TITLE \_\_\_\_\_

ATTEST:

CITY OF TRACY

SAN JOAQUIN COUNTY

By \_\_\_\_\_  
NAME \_\_\_\_\_  
TITLE \_\_\_\_\_

By \_\_\_\_\_  
NAME \_\_\_\_\_  
TITLE \_\_\_\_\_

RECOMMENDED FOR APPROVAL:

By \_\_\_\_\_  
NAME \_\_\_\_\_  
TITLE \_\_\_\_\_

APPROVED AS TO FORM:

By \_\_\_\_\_  
NAME \_\_\_\_\_  
TITLE \_\_\_\_\_

This signature page is the third page of an Agreement made by and between City of Tracy and San Joaquin County.

**EXHIBIT "A"**  
**TRAFFIC SIGNAL AND LIGHTING AGREEMENT**  
**City of Tracy and San Joaquin County**

Traffic Signals:

1. Mountain House Pkwy and Berkeley Road: Meter # 1009074379
2. Schulte road and Mountain House Pkwy: Meter # 1009074380
3. Schulte Road and Schulte Court: Meter # 1009659500
4. Schulte Road and Gateway Blvd: Meter # 1009071325

RESOLUTION \_\_\_\_\_

AUTHORIZING A MAINTENANCE AGREEMENT WITH THE COUNTY OF SAN JOAQUIN AND THE CITY OF TRACY FOR MAINTENANCE OF FOUR TRAFFIC SIGNALS RESULTING FROM THE CORDES RANCH ANNEXATION AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT

WHEREAS, On September 20, 2013, approximately 1,796 acres were annexed from the County of San Joaquin to the City of Tracy for the purposes of Cordes Ranch, and

WHEREAS, The City received additional infrastructure which includes four traffic signals, and

WHEREAS, The City and County share certain intersections with traffic-actuated signals which serve both City and County residents, and all costs of maintenance and energy shall be shared between the City and the County in the individual ratios outlined in Exhibit A to the Maintenance Agreement, and

WHEREAS, The City shall perform all work necessary, including the daily operation, maintenance, and inspection of the traffic signal systems listed in Exhibit A, and the City shall make all payments for the energy, operation, and maintenance of the traffic signal systems listed in Exhibit A. The City and the County agree to amend the apportionment of costs in the event jurisdictional boundaries change, and

WHEREAS, The City shall bill the County for County's portion of the cost of the joint operation. The percentage the County shall pay to the City shall be made in quarterly payments pursuant to this Agreement;

NOW, THEREFORE, BE IT RESOLVED, That City Council authorizes the agreement with the County of San Joaquin and the City of Tracy for maintenance of four traffic signals resulting from the Cordes Ranch annexation and authorizes the Mayor to execute the agreement.

\* \* \* \* \*

The foregoing Resolution \_\_\_\_\_ was adopted by Tracy City Council on the 20<sup>th</sup> day of May, 2014, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

AGENDA ITEM 1.F

REQUEST

**AUTHORIZE FEDERAL FISCAL YEAR 2013 AND 2014 GRANT APPLICATION FOR SECTION 5307 U.S. DEPARTMENT OF TRANSPORTATION FEDERAL TRANSPORTATION ADMINISTRATION FUNDS IN THE AMOUNT OF \$2,493,264 FOR TRACER PUBLIC TRANSPORTATION SERVICES, FOR REPLACEMENT OF FIXED ROUTE BUSES, AND FOR EXPANSION OF FIXED ROUTE BUSES; CERTIFICATION OF APPLICATION ASSURANCES; AND THE CITY MANAGER OR DESIGNEE TO EXECUTE THE GRANT DOCUMENTS**

EXECUTIVE SUMMARY

The City of Tracy is applying for Federal Transportation Administration Grant Funding. This request is for the amount of \$2,493,264 for Tracer public transportation services and for replacement of fixed route buses. The application has been presented to San Joaquin Council of Governments (SJCOG), which is the Designated Recipient for these funds. Approval of this application is necessary to ensure FTA 5307 funding of the TRACER Public Transportation System and Capital Improvement Program (CIP) Transit Projects.

DISCUSSION

Annually, the City of Tracy can apply for Federal Transportation Administration (FTA) 49 U.S.C. Section 5307 Grant Funding. The available funds to the City of Tracy from FTA Section 5307, for Federal Fiscal Year 2013 (FY13) appropriation and allocation, are \$1,296,554. The available funds to the City of Tracy from FTA Section 5307, for Federal Fiscal Year 2014 (FY14) appropriation and allocation, are \$1,196,710. The Section 5307 grant funding requested in this action for Fiscal Year 2013 and 2014 appropriation is the allocation of \$2,493,264.

This grant application (CA90Z006) requires certain assurances from the City that the funds will be used in a manner which complies with all federal statutes, regulations, executive orders and administrative procedures applicable to the grant. The application is being made to provide grant assistance for TRACER operating assistance, for replacement of fixed route buses, and for expansion of fixed route buses. Operating assistance will be used to pay for up to 50% of the Transit Fund operating costs for FY11/12, FY12/13, and a portion of the costs for FY13/14, with TDA funds making up the difference. The City will also use these funds to replace two fixed route buses, and to purchase expansion fixed route buses.

The application has been presented to San Joaquin Council of Governments (SJCOG), which is the Designated Recipient for these funds. SJCOG, acting as the regional transportation coordinator, assures the State that total County Section 5307 funds have been programmed, that the local funding has been committed to transit operations, that needs of the elderly and handicapped have been met, and that the City has coordinated with other transportation providers and users within the Tracy area.

Approval of this application is necessary to ensure FTA 5307 funding of the TRACER Public Transportation System and Capital Improvement Program (CIP) Transit Projects. Transportation Development Act funds will be used as the matching funds for the City's portion on all projects listed below. A breakdown of the funding sources for these projects is shown below:

PROJECT	TOTAL COST	FTA / 5307 Request	TDA
TRACER FY12 Operating Expense*	\$1,658,841	\$560,019	\$876,554
TRACER FY13 Operating Expense	\$1,650,035	\$734,241	\$915,794
TRACER FY14 Operating Expense**	\$1,878,650	\$298,240	\$939,325
Replacement Fixed Route Buses	\$525,000	\$420,000	\$105,000
Expansion Fixed Route Buses***	\$2,701,909	\$480,764	\$765,924
<b>TOTALS</b>	<b>\$8,414,435</b>	<b>\$2,493,264</b>	<b>\$3,602,597</b>

\* An amount of \$146,388 has previously been drawn from another FTA 5307 grant

\*\* The remaining FTA portion will be paid for out of a subsequent 5370 grant after the current FY ends

\*\*\* The remainder of the funds will be paid for by a Congestion Mitigation and Air Quality (CMAQ) Grant and another State funded grant

#### STRATEGIC PLAN

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

#### FISCAL IMPACT

There is no impact to the General Fund. The City's public transit services and related CIP projects for this application will be funded from the Transit Fund.

#### RECOMMENDATION

That City Council, by resolution, authorize the Federal Fiscal Year 2013 and 2014 Grant application for Section 5307 U.S. Department of Transportation Federal Transportation Administration funds in the amount of \$2,493,264 for TRACER Public Transportation Services, for replacement of fixed route buses and for the purchase of fixed route expansion buses; certification of application assurances; and authorize the City Manager or designee to execute the grant documents.

Prepared by: Ed Lovell, Management Analyst II

Reviewed by: David Ferguson, Director of Public Works  
Gary Hampton, Interim Assistant City Manager

Approved by: Maria A. Hurtado, Interim City Manager

RESOLUTION \_\_\_\_\_

AUTHORIZING FEDERAL FISCAL YEAR 2013 AND 2014 GRANT APPLICATION FOR SECTION 5307 U.S. DEPARTMENT OF TRANSPORTATION FEDERAL TRANSPORTATION ADMINISTRATION FUNDS IN THE AMOUNT OF \$2,493,264 FOR TRACER PUBLIC TRANSPORTATION SERVICES, FOR REPLACEMENT OF FIXED ROUTE BUSES, AND FOR EXPANSION OF FIXED ROUTE BUSES; CERTIFICATION OF APPLICATION ASSURANCES; AND THE CITY MANAGER OR DESIGNEE TO EXECUTE THE GRANT DOCUMENTS

WHEREAS, As required by 49 U.S.C. Section 5307, the Section 5307 grant application identifies the need for and use of funds to assist in transit operations, for replacement fixed route buses, and for expansion fixed route buses; and

WHEREAS, For Federal Fiscal Year 2013 and 2014 appropriation and allocation, the available funds from Federal Transportation Administration Section 5307 source are \$2,493,264 and the application (CA90Z006) seeks the amount of \$2,493,264; and

WHEREAS, The San Joaquin County Council of Governments, acting as the regional transportation coordinator and Designated Recipient, assures the State that total County Section 5307 funds have been programmed, that local funding has been committed to transit operation, that needs of the elderly and disabled have been met, and that the City has coordinated with other transportation providers and users within the Tracy area; and

WHEREAS, The grant application requires the City to make certain assurances that the grant funds will be used in compliance with applicable laws, regulations and administrative or executive orders.

NOW, THEREFORE, BE IT RESOLVED, That the City Council of the City of Tracy does hereby authorize the following:

1. The Federal Fiscal Year 2013 (FY13) and 2014 (FY14) grant application for Section 5307 U.S. Department of Transportation Federal Transportation Administration funds in the amount of \$2,493,264 for TRACER public transportation services, for replacement fixed route buses, and for expansion fixed route buses; and
2. Certification of application assurances; and
3. The City Manager or designee to execute the grant documents.

\* \* \* \* \*

The foregoing Resolution \_\_\_\_\_ was adopted by the Tracy City Council on the 20<sup>th</sup> day of May 2014, by the following vote:

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

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

AGENDA ITEM 1.G

REQUEST

**AUTHORIZATION TO EXTEND THE AGREEMENT WITH ALL CITY MANAGEMENT SERVICES, INC., FOR SCHOOL PEDESTRIAN CROSSING GUARD SERVICES THROUGH JUNE 30, 2018, AND AUTHORIZATION FOR THE MAYOR TO EXECUTE THE EXTENSION AGREEMENT**

EXECUTIVE SUMMARY

Staff is requesting that the agreement with All City Management Services, Inc. to provide school crossing guard services be extended through June 30, 2018. The extended agreement would fix the hourly rate paid to the contractor over a four year period.

DISCUSSION

All City Management Services, Inc., (All City) has been the sole contractor responding to published "Request for Proposals" dating back to 1995, indicating no competing contractors are located in the surrounding area. Past and current solicitations of area agencies found that, other than volunteers and in-house employees, All City was the only contractor provider for school crossing guard services in the local area. As such, All City has been the 'sole source' provider for these services.

California's minimum wage rate increases to \$9 per hour effective July 1, 2014. Then again on January 1, 2016 the California minimum wage rate will increase to \$10 per hour. All City Management Services has requested an increase to their current billing rate of \$14.52 per hour to meet the minimum wage increases which has a direct impact on wages and in turn our billing rates. The following breakdown reflects the negotiated billing rates for the 4-year contract.

FY 14-15 thru FY 15-16:

\$15.81 hourly bill rate reflects \$1.29 hourly increase.

FY 16-17 thru FY 17-18:

\$17.10 hourly bill rate reflects \$1.29 hourly increase.

The hourly bill rate increases are concurrent with the California minimum wage increase.

All City has agreed to extend their service agreement through June 30, 2018 by signing Amendment 3.

STRATEGIC PLAN

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

FISCAL IMPACT

School Pedestrian Crossing Guard Services is a contracted service funded in each fiscal year budget. The fiscal budget provides funding for this service in the amount of \$230,000; however the department was made aware of the pending increase for this service and requested an augmentation of \$10,000 for FY 14-15 and future years bringing the fiscal budget provision to \$240,000.

RECOMMENDATION

Staff recommends the City Council approve, by resolution, the awarding of the School Pedestrian School Crossing Guard Services Agreement to All City Management Services, Inc., in the amount of \$15.81 per hour for FY 14-15 thru FY 15-16 and \$17.10 per hour for FY 16-17 thru FY 17-18, per crossing guard at 26 locations within the City limits from contracted services account 101-51290.

Prepared by: Diane Manuel, Executive Assistant

Reviewed by: Lani Smith, Division Manager  
Gary Hampton, Interim Assistant City Manager

Approved by: Maria A. Hurtado, Interim City Manager

ATTACHMENT A - Amendment 3 to School Pedestrian Crossing Guard Services Agreement

**CITY OF TRACY  
AMENDMENT NO. 3 TO  
SCHOOL PEDESTRIAN CROSSING GUARD SERVICES**

This Amendment No. 3 (hereinafter "Amendment") to the **SCHOOL PEDESTRIAN CROSSING GUARD SERVICES** is made and entered into by and between the City of Tracy, a municipal corporation (hereinafter "City"), and ALL CITY MANAGEMENT SERVICES, INC., a California corporation (hereinafter "CONTRACTOR").

**RECITALS**

- A. The City and CONTRACTOR entered into a **SCHOOL PEDESTRIAN CROSSING GUARD SERVICES** (hereinafter "Agreement") which was approved by the City Council on September 20, 2005, pursuant to Resolution No. 2005-240.
- B. The City and CONTRACTOR extended the Agreement with Amendment No. 2 which expires on June 30, 2014 and wish to again extend the term of the Agreement with Amendment No. 3 through June 30, 2018.

**NOW THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:**

- 1. **Incorporation By Reference.** This Amendment hereby incorporates by reference all terms and conditions set forth in the Agreement and Amendment No. 2 to the Agreement, unless specifically modified by this Amendment. All terms and conditions set forth in the Agreement which are not specifically modified by this Amendment shall remain in full force and effect.
- 2. **Terms of Amendment.**
  - (a) Effective June 30, 2014, the termination date for the Agreement, referenced in Exhibit "A" and Amendment No. 2 thereto is hereby extended through June 30, 2018.
  - (b) Effective when George Kelley elementary opened in 2006, the required sites for crossing guards is increased from 24 to 26 sites adding 2 crossing guard sites to the Agreement.
  - (c) Effective July 1, 2014 thru June 30, 2016 the hourly rate will increase to \$15.81 per hour.
  - (d) Effective July 1, 2016 thru June 30, 2018 the hourly rate will increase to \$17.10 per hour.
- 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.

**CITY OF TRACY**

**Amendment No. 3 to SCHOOL PEDESTRIAN CROSSING GUARD SERVICES**

**Page 2 of 2**

- 4. **Severability.** In the event 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 full force and 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 on behalf of the respective legal entities of the CONTRACTOR and the City. This Amendment shall inure to the benefit of and be binding upon the parties thereto 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

ALL CITY MANAGEMENT SERVICES, INC.

By: \_\_\_\_\_  
Brent H. Ives  
Title: Mayor

By:   
Baron Farwell  
Title: President

Date: \_\_\_\_\_

Date: 5-14-14

Attest:

By: \_\_\_\_\_  
Sandra Edwards  
Title: City Clerk

By:   
Demetra Farwell  
Title: Secretary

Date: \_\_\_\_\_

Date: May 12, 2014

Approved as to form

By: \_\_\_\_\_  
Daniel G. Sodergren  
Title: City Attorney

Date: \_\_\_\_\_

RESOLUTION \_\_\_\_\_

AUTHORIZING EXTENDING THE SERVICES AGREEMENT WITH  
ALL CITY MANAGEMENT SERVICES, INC. FOR SCHOOL  
CROSSING GUARD SERVICES THROUGH JUNE 30, 2018  
AND AUTHORIZING THE MAYOR TO EXECUTE  
THE EXTENSION AGREEMENT

WHEREAS, Staff has requested that the current agreement which expires on June 30, 2014 be extended through June 30, 2018, and

WHEREAS, Past "Request for Proposals" for School Pedestrian Crossing Guard Services have garnered interest from only All City Management Services, Inc., and

WHEREAS, Recent inquiries of local agencies determined there are no other contractors for crossing guard services, and

WEREAS, The City has negotiated with All City Management Services, Inc. an hourly bill rate of \$15.81 per hour for FY 14-15 thru FY 15-16 and an hourly bill rate of \$17.10 per hour for FY 16-17 thru FY 17-18, per crossing guard for the length of the extension period to run concurrent with California's minimum wage increases, and

WHEREAS, The School Pedestrian Crossing Guard Services is a contracted service funded in each fiscal year budget.

NOW, THEREFORE, BE IT RESOLVED, That City Council authorizes the extension of the School Pedestrian Crossing Guard Services Agreement to All City Management Services, Inc., through June 30, 2018.

\*\*\*\*\*

The foregoing Resolution 2014-\_\_\_\_ is hereby passed and adopted by the Tracy City Council this 20<sup>th</sup> day of May, 2014, by the following vote:

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

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

AGENDA ITEM 3

REQUEST

**PUBLIC HEARING TO CONSIDER AN APPLICATION TO AMEND A VESTING TENTATIVE SUBDIVISION MAP FOR THE DEVELOPMENT OF 57 SINGLE-FAMILY LOTS ON A 9.42-ACRE PARCEL, AND A PRELIMINARY AND FINAL DEVELOPMENT PLAN AMENDMENT TO ALLOW FOR THE CONSTRUCTION OF 57 SINGLE-FAMILY HOMES LOCATED WITHIN THE 9.42 ACRE INFILL SITE LOCATED AT THE NORTHWEST CORNER OF MACARTHUR DRIVE AND PESCADERO AVENUE. THE APPLICANT AND OWNER IS WOODSIDE 05N, LP APPLICATION NUMBERS TSM13-0006 AND PUD13-0006**

EXECUTIVE SUMMARY

This agenda item involves approval of a revised Tentative Subdivision Map, and amendments to an existing Preliminary and Final Development Plan for the construction of 57 single family homes. Approval of this agenda item would enable the land to be subdivided and homes built.

DISCUSSION

The subject property is located at the northwest corner of MacArthur Drive and Pescadero Avenue, south of and adjacent to I-205. It is also adjacent to and east of the California Mirage subdivision (Attachment A). The total project area is 9.42 acres, to be subdivided for the construction of 57 single-family homes, herein called the project site. The project site was annexed to the City in 1957. The project site falls within the infill development and finance plan area. In 2006 the General Plan was updated and changed the land use designation from Commercial to Residential Medium. One of the reasons for the change was the effort to identify sites for residential development to meet the City's Regional Housing Needs Allocation numbers as determined by the State Department of Housing and Community Development.

In 2008, this property was rezoned from Highway Service (HS) to Planned Unit Development (PUD), to gain compliance with the General Plan designation. With that rezoning, a Vesting Tentative Subdivision Map, and Concept, Preliminary and Final Development Plans were also approved for the development of 64 single-family homes on the project site.

Site and Project Area Description

The current zoning designation is PUD, with a General Plan designation of Residential Medium, allowing for 5.9 to 12 dwelling units per gross acre. The properties to the west and south of the project site are zoned Medium Density Cluster (MDC), and are within the California Mirage subdivision. Across I-205 to the north, the property is zoned Highway Service, and across MacArthur Drive to the east, the properties fall within the Freeway Commercial land use designation of the I-205 Specific Plan.

### PUD Amendment

In order to establish a PUD zone, the minimum and maximum standards must be established for the project in the Concept, Preliminary and Final Development Plan (Attachment B). The Concept Development Plan (CDP) is the first step, which describes the proposed uses in a very general manner, showing potential building locations, parking areas, and proposed land uses. The Preliminary Development Plan (PDP) supplies all of the detailed information, such as architectural renderings, site plans showing open space and circulation, landscape, and utility plans. The Final Development Plan (FDP) must be approved prior to any construction, and typically finalizes all of the details laid out by the Preliminary Development Plan, and any changes proposed. It is typical for the CDP to be approved upon annexation or rezoning, and then later the PDP and FDP are often reviewed concurrently, showing their conformity with the adopted CDP.

When this property was rezoned to PUD in 2008, a CDP/PDP/FDP was approved for the land that encompassed the 64 lots that were proposed for development at the time. That approval contained lots for the construction of 64 single-family homes in an area with private streets and alley-loaded garages. The project currently proposed would be comprised of 57 lots served by a small grid pattern of public streets from a single entry point off of Pescadero Avenue.

### Subdivision

The proposal is to divide the property into 57 lots in order to develop 57 detached single-family homes on approximately 9.42 acres (Attachment C). The proposed lot sizes range from 4,012 to 8,577 square feet with an average lot size of approximately 4,600 square feet. The gross density of the proposed subdivision is 6.1 units per acre, within the range allowable under the site's General Plan designation of Residential Medium.

There is one main access point for the subdivision, located on the south side of the proposed subdivision, along Pescadero Avenue. That access point leads to the streets, designed in a semi-grid pattern to access the 57 proposed houses.

### Building Setbacks, Development Standards

The minimum building setbacks are to be as shown in the revised Preliminary and Final Development Plan as shown in Attachment B. The minimum setbacks, lot coverage, and other requirements are listed for the proposed lots. Staff worked with the applicant to create the development standards for the subdivision so the end result would be a well-planned but flexible subdivision that accounts for the needs of the future residents of the proposed houses, with regards to building shade structures, additions, pools, etc.

### Building Height

The proposed houses are one and two stories in height. The Tracy Municipal Code provides that height limits can be established in each PUD, as appropriate. The proposed maximum building height is 35 feet, which is consistent with the zoning

regulations of all of the adjacent single-family homes in the MDC zone, which are allowed to be up to two and a half stories, or 35 feet, whichever is less.

### Architecture

Upon submittal of a Vesting Tentative Subdivision Map application (or map amendment), as well as a PUD, the applicant is required by Tracy Municipal Code Sections 12.28.040(b)(2) and 10.08.1830 to submit architectural floor plans and elevations for review and approval by the Planning Commission and City Council. The proposed architecture for the 57 units contains a total of five floor plans as described above, each with two to four different architectural elevations, including Ranch, Craftsman, Cottage and Traditional styles (Attachment D).

Each individual home design has been created with unique characteristics, as inspired by these styles. The Ranch style ('A' elevations) is expressed with lower pitched roofs, front porch posts and corbels, and gable end details utilizing various materials, including board and batten accents. The Craftsman style ('B' elevations) employs a mainly stucco finish highlighted with shingle siding, kickers and the base incorporates a stone wainscot. The Cottage style ('C' elevations) incorporates mainly hip roof forms with a steeper pitch. Window patterns highlight this style, as well as the use of shutters, larger stone elements, and gable end accents of horizontal siding. For added diversity, the Traditional style ('D' elevations) is incorporated on two home designs and introduces strong gable roof lines, dormer elements and brick wainscoting.

### Residential Growth Allotments (RGAs)

Because this project is an amendment to the existing Vesting Tentative Subdivision Map, the requirements for allocation of RGAs are vested to the requirements of the 2005 Growth Management Ordinance (GMO) and its Guidelines. The project does not currently have any RGAs and will apply for RGAs in accordance with the 2005 GMO prior to the issuance of any building permits for the project. The project falls within the "Primary Area" of the 2005 GMO and is eligible to apply for RGAs in accordance with the 2005 GMO Guidelines.

### Schools

The Tracy Joint Unified School District has determined that the Classics project does not need to dedicate property for a school site within the subdivision. However, in order to mitigate the proposed developments' impacts on school facilities, the developer will work with the School District prior to the issuance of any building permits, and the appropriate per-square foot or per-unit fee to be charged for each of the 57 units constructed.

### Parks

Parks are required to be established within residential neighborhoods to serve the residents of the homes that are established in Tracy. In order to meet the need for park land, projects are either required to build their own park, or pay park in-lieu fees. Since the minimum park size within the City is typically required to be two acres, this project will pay the park in-lieu fees, as the 57 homes proposed would only constitute a need for

a one half acre park. (The total population estimate for the project area is 187 residents, based on 57 dwelling units, and 3.28 people per unit.) In addition, community parks are required at a rate of one acre of park land per every 1,000 residents, resulting in 0.19 acres of community park area required, or mitigation fees paid.

#### Planning Commission Discussion

The Planning Commission met and discussed the proposed project on March 26, 2014 as well as on April 23, 2014 due to a noticing error and the need to more widely provide notification to all the neighboring property owners. On March 26, the Planning Commission verified whether or not a secondary emergency access would be required (it was deemed unnecessary by the Fire Department) and discussed various questions from neighboring property owners about the nature of the project, and the potential market prices of the homes. At the April 23 Planning Commission meeting, the discussion revolved around architectural details that should be enhanced on each of the plans. Specific direction was given to staff and the developer for the changes to be made, and those changes have been incorporated into the elevations (Attachment D) for City Council consideration.

#### Environmental Document

Public Resources Code section 21083.3 and its parallel guidelines provision, section 15183, provide for streamlined environmental review for projects consistent with the development densities established by existing zoning, general plan, or community plan policies for which an Environmental Impact Report (EIR) was certified. Such projects require no further environmental review except as might be necessary to examine whether there are project-specific significant effects that are peculiar to the project or its site. If an impact is not peculiar to the parcel or to the project, has been addressed as a significant impact in the prior EIR, or can be substantially mitigated by the imposition of uniformly applied development policies or standards, then an additional EIR need not be prepared for the project solely on the basis of that impact.

On July 20, 2006, the City adopted a new General Plan (the "2006 General Plan") and certified the associated General Plan EIR (SCH# 1992 122 069) (the "2006 General Plan EIR").

The General Plan land use designation for the Project site is Residential Medium. The development density of the project is consistent with the Residential Medium land use designation.

Staff has examined the environmental effects of the project and has determined that no further review is necessary because there are no:

- a) Environmental effects that are peculiar to the project or the parcel on which the project would be located;
- b) Environmental effects that were not analyzed as significant effects in the General Plan EIR;
- c) Potentially significant off-site impacts and cumulative impacts which were not discussed in the 2006 General Plan EIR; or

- d) Previously identified significant effects in the 2006 General Plan EIR which, as a result of substantial new information which was not known at the time the EIR was certified, is determined to have a more severe adverse impact than discussed in the EIR.

Finally, the General Plan EIR specified a number of feasible mitigation measures to address significant effects on the environment that would result in implementing the Plan. To the extent applicable, these mitigation measures are incorporated as part of the project or as part of the project's conditions of approval.

### STRATEGIC PLAN

This agenda item is a routine operational item and is not related to City Council's Strategic Plans.

### FISCAL IMPACT

This agenda item will not require any expenditure of funds and will have no impact to the General Fund. The applicant paid the application fees for the staff time that was required for review of the proposed project. The applicant will also pay all of the appropriate building permit and development impact fees upon the commencement of construction of the dwelling units and other improvements. Development of the 57 homes will also generate some additional property tax revenue based on the provisions of the Master Tax Sharing Agreement between the City and San Joaquin County.

### RECOMMENDATIONS

Staff and Planning Commission recommend that City Council approve, by resolution, the amendment to the Classics Vesting Tentative Subdivision Map, Application Number TSM13-0006, and the amendment to the Preliminary and Final Development Plans, Application Number PUD13-0006, based on the findings and subject to the conditions of approval.

Prepared by: Victoria Lombardo, Senior Planner

Reviewed by: Bill Dean, Assistant Development Services Director  
Andrew Malik, Development Services Director  
Gary Hampton, Interim Assistant City Manager

Approved by: Maria A. Hurtado, Interim City Manager

### ATTACHMENTS

Attachment A—Location Map  
Attachment B—PUD Guidelines  
Attachment C—Subdivision Map  
Attachment D—Architectural Renderings (Oversize Item: Copies available in Development Services Department at City Hall)

ARBOR AVE.

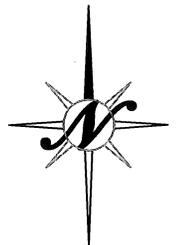
RECEIVED

OCT 31 2013

CITY OF TRACY  
D.E.S.

**PROJECT  
LOCATION**

HWY. 205



COPYRIGHT © 2013 NORTHSTAR ENGINEERING GROUP, INC

**NorthStar**  
Engineering Group, Inc.  
• CIVIL ENGINEERING • SURVEYING • PLANNING •  
620 12th Street Modesto, CA 95354  
(209) 524-3525 Phone (209) 524-3526 Fax

# LOCATION MAP

# THE CLASSICS

TRACY,

CALIFORNIA

JOB:	13-125
DATE:	10/28/2013
SCALE:	NTS
DRAWN:	SHS
DESIGN:	EWB
CHK'D:	EWB
SHEET	<b>EX1</b>

**PLANNED UNIT DEVELOPMENT (PUD)****THE CLASSICS****GENERAL DEVELOPMENT STANDARDS**

The following standards apply to the Classics single family development. As small lot single family homes, this community is intended to create affordability by design, through limiting the size of the homes and maximizing the open space within the project. Development standards are appended by City Ordinance found in the table of standards and plan requirements.

**PROPERTY DESCRIPTION**

- **LOCATION**

The proposed project is approximately 9.42 acres in area, located off North MacArthur Drive, south of Highway 205, and in the proximity of the intersection of North MacArthur Drive and Pescadero Avenue.

- **SITE DESCRIPTION**

The site is currently an undeveloped vacant lot with topography change of approximately 2' from one end of the property to the other, sloping up from northeast to southwest with an elevation of approximately 23' in the north east corner to an elevation of approximately 25' in the south west corner.

- **ACCESS**

The main access to the site will be via a 57-foot wide neighborhood entry intersecting at Pescadero Avenue.

- **CIRCULATION**

Circulation within the subdivision shall consist of 55' right-of-way residential collector streets, A, B, C, D, and E, connecting to the neighborhood entry.

- **LAND USE**

The project shall be developed with four single-family detached unit product types and 50'x 90' lots typical. The number of units within the PUD shall be limited to 57, with the density of development not to exceed 6.05 dwelling units per gross acre.

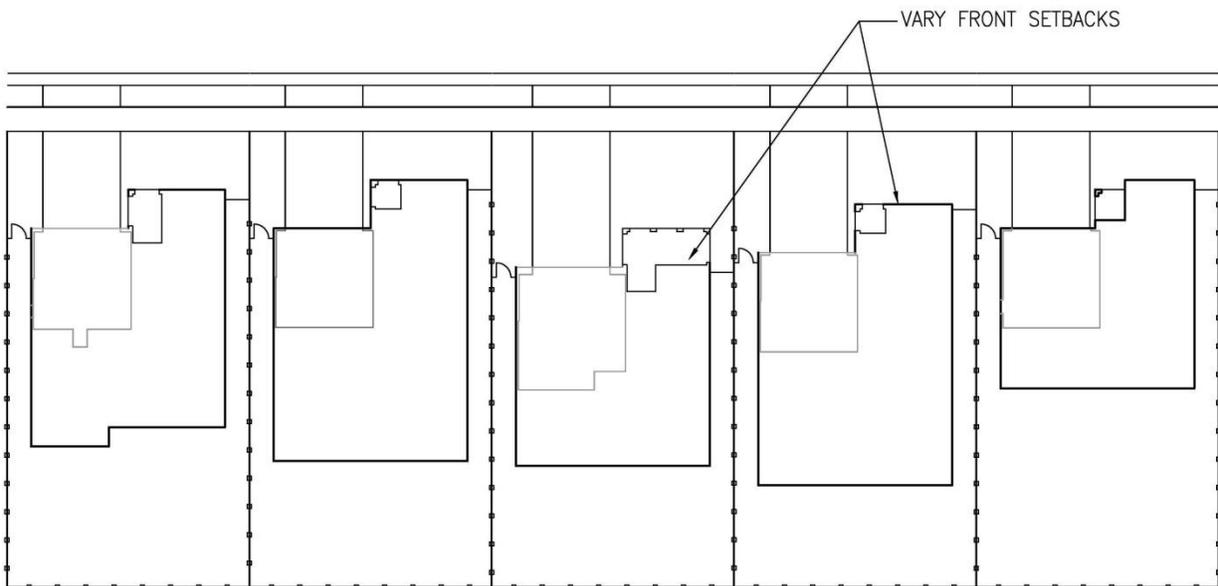
## SITING CRITERIA

It is important to create a street scene that provides visual quality and variety. This can be accomplished by siting homes with varying setbacks, reversing plans so that garages and entries are adjacent to each other, and providing architectural massing relief through porches and other single story elements along the street.

- DIFFERENT BUILDING STYLES

- MIXED USE OF ONE AND TWO-STORY ELEMENTS

- VARIED ROOF TYPES AND PITCHES



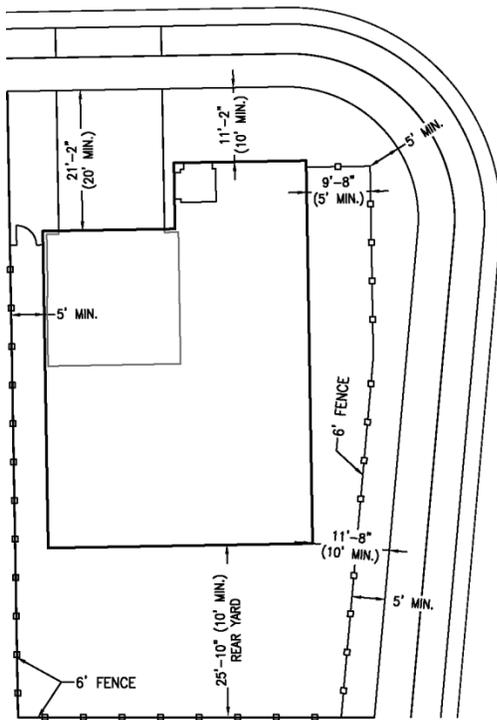
## SITING AND MASSING DIAGRAM

## Residential Development Regulations

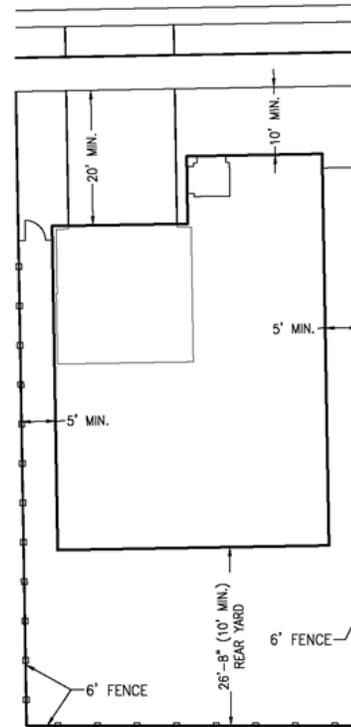
### Single Family Homes

Minimum Lot Area	3,689 S.F.
Average Lot Area	4,852 S.F.
Lot Width	50' min.
Lot Depth right-of-way to rear lot line	66.4' min.
Front Yard Setback to Living Space or Porch*	10' min.
Front Yard Setback to Garage*	20' min.
Rear Yard Setback	10' min.
Side Yard Setback*	5' min.
Side Yard Setback at Corner Lot*	10' min.
Minimum Building Separation*	10'
Maximum Lot Coverage – Single Story	55%
Maximum Lot Coverage – Two Story	55%
Maximum Building Height	35'
Required Parking	2 covered
Guest Parking	1/unit on-street

\* Architectural projections up to 24 inches, including bay windows, fireplace chimneys, utility cabinets and balconies are allowed within the setback.



**TYPICAL CORNER LOT  
SETBACK DIAGRAM**



**TYPICAL INTERIOR LOT  
SETBACK DIAGRAM**

## ARCHITECTURAL DESIGN STANDARDS

The purpose of this section is to provide guidance on the architectural design and massing of the various home plans within the community. Care and consideration should be given when plotting specific home plans on specific lots to insure a variety of massing, architectural style and color and material variation within the project. Setbacks and requirements not specifically mentioned in this document shall be as specified in the City of Tracy Design Goals and Standards and the Medium Density Cluster zone.

- **MASSING**

The homes shall be articulated so that the massing of the perceived street scene of a neighborhood has variety and visual interest. This is applicable to the front and street facing side elevations of the corner lots, as well as easily visible rear elevations such as those that back onto public streets outside the development. Unless it is not appropriate to the architectural style, this can be accomplished by providing a variety of both single and double story elements. Solutions to achieve these goals include:

- 25% of the homes shall be of one-story character.
- Floor plans that provide a variety of setbacks and massing along the street.

- **ARCHITECTURAL PLAN MIX**

Homes shall be plotted on individual lots so as to provide a variety of home plans and elevations along any given streetscape. At no time shall the same plan and elevation be plotted on adjacent lots. When homes of the same plan are plotted across a street from each other different elevations and color schemes shall be used.

- **CORNER LOT CONDITIONS**

- The building materials on the front facade should wrap to a logical termination point or perpendicular change of plane on the elevation adjacent to the exterior side yard. End lots on lanes or courts shall be considered corner lots.

- **SIDE YARDS**

- The homes shall be plotted so as to maximize the visual separation between homes within the project.
- Trash receptacles are permitted to be located within the side yard setbacks provided that they are screened from view by appropriate side yard fencing and have access to the street through an appropriate gate.

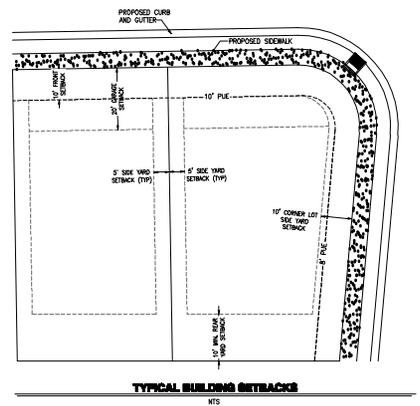
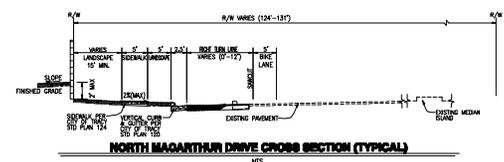
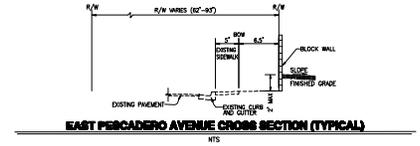
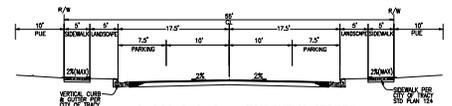
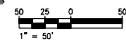
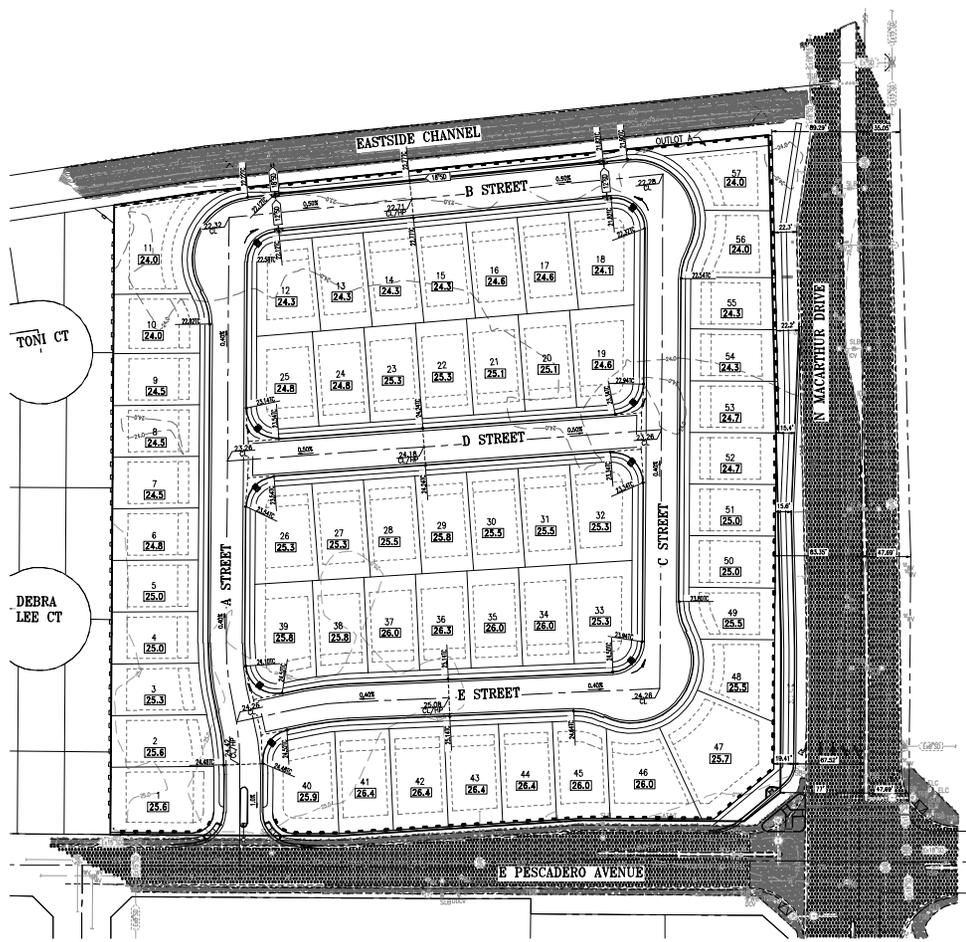
- **ENCROACHMENTS**

Encroachments of up to two (2) feet are permitted into required yards for architectural projections that provide relief to the main building massing form. Items such as, but not limited to air conditioning condensers, porches, chimneys, bay windows, retaining walls less than 4' in height, media centers, etc. may encroach 2' into the required setback of one side yard, provided a minimum of 36" flat and level area is maintained for access around the house.

- **ACCESSORY STRUCTURES**

Accessory and garden structures are subject to the City of Tracy Municipal Code - Medium Density Cluster Zone and all applicable Building Codes.





NO.	DESCRIPTION	DATE	APPROVED

**GRADING AND DRAINAGE PLAN**  
**THE CLASSICS TRACT No. 3351**  
 TRACT CALIFORNIA



DATE	12-15-2011
SCALE	AS SHOWN
PROJECT	THE CLASSICS TRACT NO. 3351
CLIENT	
DESIGNER	
CHECKED	
DATE	

SHEET NUMBER  
**02**

APPROVED 02/17/14, 2012, REVISION BY: [Signature]  
 FILE NAME: 13131-001-TR-CLASSICS TRACT 102.dwg



RESOLUTION 2014 - \_\_\_\_\_

APPROVING THE AMENDMENT TO THE 57-LOT THE CLASSICS VESTING TENTATIVE SUBDIVISION MAP AND AMENDMENT TO THE PRELIMINARY AND FINAL DEVELOPMENT PLAN FOR A 9.42-ACRE SITE LOCATED AT THE NORTHWEST CORNER OF PESCADERO AVENUE AND MACARTHUR DRIVE APPLICATION NUMBERS TSM13-0006 AND PUD13-0006

WHEREAS, The subject property was annexed to the City of Tracy in 1957, and is an infill parcel, with a General Plan land use designation of Residential Medium, and

WHEREAS, The project will amend an existing Vesting Tentative Subdivision Map to create 57 single-family dwelling units on 19.42 gross acres, with an overall density of approximately 6.1 dwelling units per acre, which is consistent with the General Plan land use and density requirements, and

WHEREAS, The proposed map amendment is consistent with the General Plan, and Title 12, the Subdivision Ordinance, of the Tracy Municipal Code. The General Plan designation of the property is Residential Medium, which provides for a density range of 5.9 to 12 dwelling units per acre. The General Plan identifies that the characteristic housing for the Medium Density Residential categories includes single family homes, as well as other housing types, and

WHEREAS, The site is physically suitable for the type of development, as the site, once graded will be virtually flat and the characteristically high clay content of Tracy's soils may require amendments and treatment for proposed landscaping, foundations, and other surface and utility work. The physical qualities of the property make it suitable for residential development in accordance with City standards, and

WHEREAS, The site is physically suitable for the proposed density of development. The 6.1 dwelling units per acre proposed is consistent with the allowable density range prescribed by the General Plan. Traffic circulation is designed in accordance with City standards for the proposed density to ensure adequate traffic service levels are met, and

WHEREAS, The design of the subdivision or the proposed improvements will not cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat. An Environmental Impact Report was certified for the City's General Plan in 2006. Significant fish or wildlife or their habitat have not otherwise been identified on the site and no further environmental documentation is required, and

WHEREAS, The design of the subdivision or the type of improvements will not conflict with easements, acquired by the public at large, for access through or use of, property within the proposed subdivision, and

WHEREAS, The project complies with all other applicable ordinances, regulations and guidelines of the City, including but not limited to, the local floodplain ordinance. The subject property is not located within any floodplain and the project, with conditions, will meet all applicable City design and improvement standards, and

WHEREAS, All the public facilities necessary to serve the subdivision will be in place prior to the issuance of building permits. All the public facilities necessary to serve the subdivision or mitigate the impacts created by the subdivision will be assured through a Subdivision Improvement Agreement prior to the approval of a final map, and

WHEREAS, the architectural renderings are in compliance with Tracy’s Design Goals and Standards because they have incorporated significant variation between floor plans and elevations, located garage set back from the facades of the living space, and used architectural features on all four sides of each house, and

WHEREAS, The Planning Commission conducted a public hearing to review and consider the amendments to the Vesting Tentative Subdivision Map and Preliminary and Final Development Plan on March 26, 2014 and re-opened the public hearing for discussion on April 23, 2014 and recommended City Council approval;

NOW, THEREFORE, BE IT RESOLVED, That City Council approves the amendments to The Classics Vesting Tentative Subdivision Map and Preliminary and Final Development Plan, Application Numbers TSM13-0006 and PUD13-0006, subject to conditions stated in Exhibit “1”, attached and made part hereof.

\*\*\*\*\*

The foregoing Resolution 2014 - \_\_\_\_\_ was adopted by the Tracy City Council on the 20<sup>th</sup> day of May, 2014, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

Exhibit 1 - Development Services Department Conditions of Approval

**Conditions of Approval for  
The Classics Vesting Tentative Subdivision Map and  
Concept, Preliminary and Final Development Plan  
Application Numbers 1-06-TSM, 9-06-D, and 1-06-R**

1. These Conditions of Approval shall apply to the real property described as The Classics Vesting Tentative Subdivision Map Amendment, Application Numbers TSM13-0006, and PUD13-0006 (hereinafter "Project"), generally located on approximately 9.42 gross acres at the northwest corner of Pescadero Avenue and Mac Arthur Drive, Assessor's Parcel Number 213-350-61.
2. The following definitions shall apply to these Conditions of Approval:
  - a. "Applicant" means any person, or other legal entity, defined as a "Developer".
  - b. "City Engineer" means the City Engineer of the City of Tracy, or any other duly licensed engineer designated by the City Manager, or the Public Works Director, or the City Engineer to perform the duties set forth herein.
  - c. "City Regulations" means all written laws, rules, and policies established by the City, including those set forth in the City of Tracy General Plan, the Tracy Municipal Code, ordinances, resolutions, policies, procedures, and the City's Design Documents (including the Standard Plans, Standard Specifications, Design Standards, and relevant Public Facility Master Plans).
  - d. "Development Services Director" means the Development Services Director of the City of Tracy, or any other person designated by the City Manager or the Development Services Director to perform the duties set forth herein.
  - e. "Conditions of Approval" shall mean the conditions of approval applicable to the Classics Vesting Tentative Subdivision Map and Concept, Preliminary and Final Development Plan Amendment, Application Numbers TSM13-0006, and PUD13-0006. The Conditions of Approval shall specifically include all Development Services Department Conditions set forth herein.
  - f. "Project" means the real property consisting of approximately 9.42 gross acres located at the northwest corner of Pescadero Avenue and Mac Arthur Drive, Assessor's Parcel Number 213-350-61.
  - g. "Subdivider" means any person, or other legal entity, who applies to the City to divide or cause to be divided real property within the Project boundaries, or who applies to the City to develop or improve any portion of the real property within the Project boundaries. "Subdivider" also means the Developer. The term "Subdivider" shall include all successors in interest.
3. The Developer shall comply with all laws (federal, state, and local) related to the development of real property within the Project, including, but not limited to: the Planning and Zoning Law (Government Code sections 65000, *et seq.*), the Subdivision

Map Act (Government Code sections 66410, *et seq.*), the California Environmental Quality Act (Public Resources Code sections 21000, *et seq.*, "CEQA"), and the Guidelines for California Environmental Quality Act (California Administrative Code, title 14, sections 15000, *et seq.*, "CEQA Guidelines").

4. Unless specifically modified by these Conditions of Approval, the Developer shall comply with all City Regulations, including, but not limited to the Planned Unit Development Zone district.
5. Unless specifically modified by these Conditions of Approval, the Developer shall comply with all mitigation measures identified in the General Plan Environmental Impact Report, dated July 20, 2006.
6. Pursuant to Government Code Section 66020, including Section 66020 (d)(1), the City HEREBY NOTIFIES the Developer that the 90-day approval period (in which the Developer may protest the imposition of any fees, dedications, reservations, or other exactions imposed on this Project by these Conditions of Approval) has begun on the date of the conditional approval of this Project. If the Developer fails to file a protest within this 90-day period, complying with all of the requirements of Government Code Section 66020, the Developer will be legally barred from later challenging any such fees, dedications, reservations or other exactions.
7. All final maps shall be consistent with the Amended Vesting Tentative Subdivision Map received by the Development and Engineering Services Department on March 20, 2014, unless modified herein.
8. Prior to the issuance of a building permit, the developer shall document compliance with all applicable school mitigation requirements consistent with City Council standards and obtain certificate of compliance from Tracy Unified School District for each new residential building permit. School mitigation requirements include payment of all special taxes associated with Community Facilities District 87-1 and the Sterling Act "school fee".
9. Prior to approval of the Final Map, the Developer shall obtain approval of all street names from the Traffic Division.
10. Prior to the issuance of building permits, the applicant shall pay all park in-lieu fees required for the project.
11. The floor plans and architectural elevations for the project shall be consistent with the plans received by the Development and Engineering Service Department on May 15, 2014.
12. The building setbacks, heights, lot coverage, and other descriptive regulations shall be consistent with The Classics Planned Unit Development Standards, received March 20, 2014.

13. Unless otherwise noted within the Planned Unit Development Standards, the project shall comply with the regulations of the Medium Density Cluster Zone.
14. Prior to the approval of the first Final Map, the Subdivider shall prepare a detailed landscape and irrigation plan consistent with City standards, including the Water Efficient Landscape Guidelines, to the Satisfaction of the Development and Engineering Services Director.
15. Prior to the recordation of the first Final Map, the Subdivider shall show public utility easements necessary to accommodate the needs of local utility providers in accordance with City standards, to the satisfaction of the City Engineer.

C. Engineering Division Conditions of Approval

Contact: Criseldo S. Mina, P. E. C#54782 (209) 831-6425 [cris.mina@ci.tracy.ca.us](mailto:cris.mina@ci.tracy.ca.us)

C.1 Tentative Subdivision Map

Prior to signature of the Tentative Subdivision Map by the City Engineer, the Subdivider shall comply with the following requirements, to the satisfaction of the City Engineer.

- C.1.1 The Subdivider shall satisfy the City Engineer that the design, development, or improvements relating to this subdivision are in compliance with the Tracy General Plan, Specific Plans, relevant ordinances, policies and standards in effect at the time of approval or conditional approval.

C.2 Final Map Application

No application for Final Map within the Project boundaries will be accepted by the City as complete until the Subdivider provides all documents required by City Regulations and these Conditions of Approval, to the satisfaction of the City Engineer, including, but not limited to the following:

- C.2.1 The Subdivider has completed all the requirements set forth in this section, and Condition C.1, above.
- C.2.2 One (1) reproducible copy of the approved Tentative Subdivision Map for the Project within ten (10) days after Subdivider's receipt of notification of approval of the Tentative Subdivision Map by the City Council.
- C.2.3 The Final Map application, which includes tract boundary, right-of-way and lot closure calculations, updated subdivision map guarantee, preliminary title report (not more than 3 months old) and copies of recorded easements and/or deeds needed in the technical review of the Final Map, as required by the City Engineer.
- C.2.4 The Final Map prepared in accordance with the Subdivision Ordinance and the City Design Documents. Multiple final maps may be filed with prior approval of the proposed construction phasing.

- C.2.5 The improvement plans for all improvements (on-site and off-site) required to serve the Project as described by the Final Map, in accordance with the Subdivision Ordinance, the City Design Documents, and these Conditions of Approval. The improvement plans shall specifically include, but not be limited to the following items:
  - C.2.5.1 All existing and proposed utilities. Indicate size and approximate location of the utilities.
  - C.2.5.2 All supporting calculations, specifications, and reports related to the design of the subdivision improvements.
  - C.2.5.3 Improvement plans shall be prepared on a 24" x 36" size polyester film (mylar) with the City approved title and signature blocks.
- C.2.6 The Grading Plan in accordance with applicable sections of Tracy Municipal Code and City Regulations.
- C.2.7 The landscape, irrigation, and masonry wall improvement plans including the engineering calculations.
- C.2.8 Utility and joint-trench improvement plans as required in Condition C.7.3, below.
- C.2.9 A detailed phasing plan, if applicable, showing construction limits and logical sequence of construction of street improvements and utilities. The phasing plan shall clearly identify the improvements to be constructed with each phase of the Project.
- C.2.10 Traffic Control Plan signed and stamped by a Civil Engineer or Traffic Engineer licensed to practice in the State of California, if necessary, as determined by the City Engineer.
- C.2.11 A construction cost estimate (Engineer's Estimate) for all required public facilities, prepared in accordance with City Regulations. Add 10% for construction contingencies.
- C.2.12 Streets must be identified with street names that are approved by the Engineering Division and Fire Department.
- C.2.13 Payment of applicable fees, reimbursements and engineering review fees including plan check, agreement processing, final map review, inspection and other fees required by these Conditions of Approval and City Regulations.

C.3 Final Map Approval

No Final Map within the Project boundaries will be approved by the City until the Subdivider demonstrates, to the satisfaction of the City Engineer, compliance with all required Conditions of Approval, including, but not limited to, the following:

- C.3.1 The Subdivider has completed all requirements set forth in Condition C.2, above.
- C.3.2 The Subdivider has obtained the approval of all other public agencies with jurisdiction over the required public facilities.
- C.3.3 The final map shall include dedications or offers of dedication of all rights-of-way and temporary/construction and/or permanent easements that are required to serve the Project described by the Final Map, in accordance with City Regulations and these Conditions of Approval.
- C.3.4 Horizontal and vertical control for the Project shall be based upon the City of Tracy coordinate system and at least three 2nd order Class 1 control points establishing the "Basis of Bearing" and shown as such on the Final Map. The Final Map shall also identify surveyed ties from two of the control points to a minimum of two separate points adjacent to or within the Property described by the Final Map.
- C.3.5 Execution of all improvements agreements, posting of all improvement security, and providing documentation of insurance, as required by these Conditions of Approval.
- C.3.6 Payment of all fees and engineering review fees including agreement fees, map review fees, encroachment and grading permit and inspection fees, and testing fees required by these Conditions of Approval and City Regulations.
- C.3.7 Payment of habitat mitigation fee in accordance with the pay zone or fee category applicable for this Project, that are in effect at the time these fees are due to be collected and paid to appropriate agency(s), as required in Condition C.6.4, below.
- C.3.8 Name of the streets must be approved by Engineering Division and the City's Fire Department. Subdivider shall ensure that all street names shown on the Final Map meets their approval.
- C.3.9 The Subdivider shall provide documentation issued by the Director of Parks and Community Services Department, stating that Subdivider's obligation towards the dedication of a park site, and construction of a neighborhood/mini park and community park will be mitigated by paying the applicable development neighborhood/mini park and community park impact fees (a.k.a. capital in-lieu fees). The final development impact fees to be paid by the Subdivider shall be the Infill neighborhood/mini park and community park

development impact fees that are in effect at the time of issuance of the building permit.

- C.3.10 The Subdivider has financially assured all public facilities required to serve the Project, including water and wastewater capacity. The City will make reasonable efforts to facilitate the necessary planning, but cannot and does not guarantee that sufficient public facilities, and the resulting capacity, will be available before expiration of the Tentative Subdivision Map for this Project (under Government Code Section 66452.6 and relevant City Regulations).

C.4 Building Permit

No building permit within the Project boundaries will be approved by the City until the Subdivider demonstrates, to the satisfaction of the City Engineer, compliance with all the required Conditions of Approval, including, but not limited to the following:

- C.4.1 The Subdivider has completed all requirements set forth in Condition C.3, above.
- C.4.2 Payment of all fees, reimbursements and processing fees including all applicable Infill Properties development impact fees required by these Conditions of Approval and City Regulations.
- C.4.3 Signed and stamped letter from the Project Geo-Technical Engineer certifying that grading work performed by the Subdivider within the Project meets the requirements of the Project Engineering Soils Reports and recommendations by the Project Geo-Technical Engineer and that the grading work was performed under the Project Geo-Technical Engineer's direct supervision, as required in Condition C.6.1, below.
- C.4.4 Letter to the City acknowledging participation in a Benefit District as required by these Conditions of Approval. The letter shall state that the Subdivider agrees to pay the Project's proportional share of cost of public improvements as determined by the Benefit District and shall deliver the payment at the time specified by the City or in a written notice from the City requesting payment to be made.

C.5 Final Building Inspection

The City will not conduct a final building inspection on any of the buildings within the Project boundaries until the Subdivider provides documentation which demonstrates, to the satisfaction of the City Engineer, that:

- C.5.1 The Subdivider has completed all requirements set forth in Condition C.4, above.
- C.5.2 The Subdivider has completed construction of all public facilities (either temporary or permanent facilities, as approved by the City Engineer) required

to serve the building for which a final building inspection is requested. Unless specifically provided in these Conditions of Approval, or some other City Regulation, the Subdivider shall take all actions necessary to construct all public facilities required to serve the Project, and the Subdivider shall bear all costs related to construction of the public facilities (including all costs of design, construction, construction management, plan check, inspection, land acquisition, program implementation, and contingency).

C.6 Site Grading

The Subdivider shall prepare improvement plans, and design and construct the required improvements in accordance with the City Regulations, these Conditions of Approval, and the following requirements.

- C.6.1 A Grading Plan prepared by a Registered Civil Engineer and accompanied by Soils Engineering and Engineering Geology reports shall be submitted to the City with the Subdivision Improvement Plans. The reports shall provide recommendations regarding adequacy of sites to be developed by the proposed grading and also information relative to the stability of soils. Slope easements shall be recorded per City's requirements. Prior to the issuance of each building permit within the Property, the Subdivider shall submit a letter to the City's Building Division, signed and stamped by a Registered Geo-Technical Engineer, certifying that grading work including excavation, backfilling, compacting and backfilling work performed by the Subdivider, meets the requirements of the Project's Soils Report and was completed under the supervision of the Project's Geo-Technical Engineer (licensed to practice in the State of California) for that specific residential lot where a building permit is sought and being processed.
- C.6.2 All grading work within and around the Project shall require a Grading Permit. Erosion control measures shall be implemented in accordance with plans approved by the City Engineer for all grading work not completed before October 15. Improvement Plans shall designate all erosion control methods and materials to be employed.
- C.6.3 Prior to the issuance of the Grading Permit, the Subdivider shall submit three (3) sets of the Storm Water Pollution Prevention Plan (SWPPP) and a copy of the Notice of Intent (NOI) submitted to the State Water Quality Control Board (SWQCB) and any documentation or written approvals from the SWQCB. After the completion of the project, the Subdivider is responsible for filing the Notice of Termination (NOT) required by SWQCB. The Subdivider shall provide the City, a copy of the completed Notice of Termination. Cost of preparing the SWPPP, NOI and NOT including the filing fee of the NOI and NOT shall be paid by the Subdivider. The Subdivider shall provide the City with Waste Water Discharge Identification number, prior to the issuance of the grading permit. The Subdivider shall comply with all the requirements of the SWPPP and applicable Best Management Practices (BMPs) and the City's Storm Water Management Program.

- C.6.4 This Project is within the boundaries of Land Category C and Pay Zone B and is classified as Agricultural Habitat Land/ Open Spaces per the San Joaquin County of Governments Compensation Plan Map and is subject to applicable habitat mitigation fees (SJMSCP development fees) per the adopted San Joaquin County Multi-Species Habitat Conservation and Open Space Plan (SJMSCP). The purpose of the SJMSCP development fees is to finance the SJMSCP program including preserving land acquisition, preserving enhancement, land management, and administration associated with land lost as a result of developments in the City and San Joaquin County areas. In accordance with the amended SJMSCP that was approved by the City Council on October 15, 2013, pursuant to Resolution No. 2013-164, the applicable fee for the identified pay zone is \$13,295 per acre. The Subdivider is required to submit the payment of the fees described in this section, in cash, prior to the issuance of the Grading Permit.
- C.6.5 Prior to the issuance of the Grading Permit, the Subdivider shall provide documentation of Project's compliance with the San Joaquin Valley Air Pollution Control District's (SJVAPCD) dust control requirements and program. Subdivider shall comply with the requirements of Regulation VIII, Fugitive PM10 Prohibitions of the San Joaquin Valley Air Pollution Control District, pertaining to Fugitive Dust Control at Construction Sites. Compliance to regulations related to Visible Dust Emissions, Soil Stabilization, Carryout and Track-out, Access and Haul Roads, Storage Piles and Materials, Dust Control Plans, Nuisances, Notification and Record Keeping are required. Subdivider is responsible for all costs associated with compliance to this requirement.
- C.6.6 If the grade differential at and along the boundary of the Property exceeds 12 inches, an engineered masonry wall or reinforced concrete wall will be required to retain soil. If the difference in elevation between two properties is less than 12 inches, a treated wooded board can be used. The retaining wall shall be installed within the Property if arrangement has not been made to install the retaining wall outside the Property. Prior to the issuance of the grading permit, the Subdivider shall submit documentation to the City to show that permission have been granted by owner(s) of affected property(s) or slope easement has been obtained, if applicable.

If the height of the retaining wall and the fence is more than 84 inches, the Subdivider shall obtain a building permit, and pay plan check, permit and inspection fees. Construction details of the wall and structural calculations (signed and stamped by a Structural Engineer) will be required as part of a complete submittal of a building permit application. Length of the retaining wall including the bottom and top of wall elevation must be shown on the Grading Plans.

- C.6.7 The masonry wall located along the northern boundaries of the Project and the City's storm drainage channel and MacArthur Drive shall be at least 8-foot high and shall be constructed outside Caltrans (State of California). Subdivider shall submit improvement plans, structural calculations, construction detail and other documents as required by the City Engineer and the City's Building Division. Prior to starting construction of the masonry wall, the Subdivider shall obtain a building permit, and pay plan check and building permit and inspection fees.
- C.6.8 The existing masonry wall along the western boundary of the Project is located along the common boundary line of the Project and California Mirage Subdivision. The Subdivider or owner of record shall coordinate with the respective owner(s) of the portions of the masonry wall located within the California Mirage Subdivision on the maintenance and repair of the masonry wall.

The proposed masonry wall along the south and east sides of the Project shall be constructed outside City right-of-way on Pescadero Avenue and MacArthur Drive, respectively. The owner of record where the masonry wall is located will be responsible for repairing and maintaining the portion of the masonry that is located on their property. The City has no obligation to repair and maintain the masonry wall.

C.7 Street Improvements

The Subdivider shall prepare improvement plans, and design and construct the required improvements in accordance with the City Regulations, these Conditions of Approval, and the following requirements.

- C.7.1 The Subdivider shall comply with all the mitigation measures and recommendations identified in the traffic analysis dated January 18, 2008, prepared by TJKM Transportation Consultants entitled "City of Tracy – Queuing and Circulation Evaluation for The Classics Development" (Traffic Report). Cost of public improvements and cost of mitigating Project's traffic impact identified in the Traffic Report shall be paid by the Subdivider. Subdivider is responsible for completing the design, improvement plans, acquiring right-of-way, if necessary, and construction of the required public improvements. Subdivider shall also pay plan check, agreement processing, if applicable, and engineering inspection fees. The Traffic Report is on file with the office of the City Engineer and is available for review upon request.
- C.7.2 The Subdivider shall dedicate right-of-way, design, and construct all roadway improvements on MacArthur Drive that are required for the Project in conformance with the recommendations in the Traffic Report and in accordance with City Regulations, including an exclusive 12-foot wide right-turn lane on MacArthur Drive for westbound Pescadero Avenue and the construction of a "pork-chop" shape island at the northwest corner of MacArthur Drive and Pescadero Avenue (hereinafter "Offsite

Improvements”). The radius for the corner curb and the “pork-chop” island shall be in accordance with the Traffic Report. The exclusive 12-foot wide right-turn lane shall be designed and constructed to have a storage length of 307 feet. Offsite improvements shall include, but not limited to, concrete curb, gutter, sidewalk, asphalt concrete pavement, asphalt concrete overlay with reinforcing fabric where street cuts were made (limits to be determined during improvement plan review), streetlight, fire hydrant, irrigation water service and meter, backflow prevention device, parkway landscaping with automatic irrigation system, masonry wall, pavement marking and striping, traffic sign, and other necessary improvements as determined by the City Engineer.

As part of the striping work on MacArthur Drive, the existing shared “through and right” MacArthur Drive southbound travel lane shall be re-striped to be a “through” travel lane. The geometric configuration of the intersection of Pescadero Avenue and MacArthur Drive, signing and striping of MacArthur Drive and Pescadero Avenue shall require approval from the City Engineer. After the completion of the Offsite Improvements, if it is necessary to adjust the signal timing of the existing traffic signal to achieve efficient operation of the traffic signal, the Subdivider shall coordinate the necessary work with the City’s Traffic Section, and shall complete the necessary signal timing adjustment, prior to the acceptance of the Offsite Improvements by the City Council.

Offsite Improvements must be completed by the Subdivider, prior to the final inspection of the first building to be constructed or occupied within the Property. To guarantee completion of the Offsite Improvements within the specified time, the Subdivider shall commence construction of the Offsite Improvements, prior to the issuance of the first building permit.

- C.7.3 All public utilities including appurtenances such as vaults, electrical transformers, switches and service line(s) within the Property and along street frontages shall be undergrounded, to the satisfaction of the utility companies and the City Engineer and in accordance with the requirements of the Tracy Municipal Code. All existing overhead utilities and appurtenances on MacArthur Drive and Pescadero Drive including service lines to the Property and to the residential lots shall be undergrounded by the Subdivider. Undergrounding work performed by the Subdivider beyond Subdivider’s responsibility shall be compensated in accordance with the requirements of the Tracy Municipal Code and these Conditions of Approval. All on site service connections shall be undergrounded. No above ground transformers, switches in cabinets or above-ground boxes will be allowed on Macarthur Drive and Pescadero Avenue.
- C.7.4 Subdivider shall install concrete sidewalk along the entire frontage of the Property on MacArthur Drive and Pescadero Avenue per City Regulations. A “No Pedestrian Beyond This Point” sign mounted on an inverted U shape

metal railing made of 1 ½" diameter galvanized iron pipes shall be installed at the north end of the sidewalk on MacArthur Drive. If necessary, the Subdivider shall obtain encroachment permit from Caltrans (State of California) and pay plan check, permit and inspection fees, for work that is necessary to be performed within Caltran's right-of-way.

- C.7.5 The Subdivider shall dedicate a 10-foot wide Public Utility Easement (PUE) along the residential lot frontages, or where appropriate, to the City, on the Final Map(s), for the installation, repair, operation, use and maintenance of public utilities such as electric, gas, telephone, cable TV and others. The Subdivider shall coordinate with PG&E or the respective owner(s) of the public utilities the design, installation and timely completion of the Project's electrical, gas, telephone and TV cable service connections. Joint trench or composite utility plans are part of the improvement plans submittal.
- C.7.6 All improvements between the final or existing face of curb and the ultimate right-of-way line (masonry wall) including landscaping with automatic irrigation system (irrigation system equipped with Motorola Controller) and masonry wall within the frontage of the Project on Pescadero Avenue and MacArthur Drive shall be designed and constructed in accordance with the City's Design Standards, Streetscape Design Guidelines (previously described as "Parks and Parkways Design Manual") and City Regulations. Size, type and spacing of plants shall be in accordance with City Regulations, or as approved by the City. Irrigation and Landscape Improvement Plans must be signed and stamped by a registered Landscape Architect.
- C.7.7 Paving work on Pescadero Avenue and MacArthur Drive will be allowed after all underground utilities are installed. No lane closure will be allowed without prior approval from the City Engineer. The Subdivider shall submit Traffic Control Plan prepared or signed by a Civil Engineer or Traffic Engineer licensed to practice in the State of California for all offsite work that require lane closure or interruption of traffic flow or as determined by the City Engineer.
- Paving design and construction shall be based on State of California "R" value method, using Traffic Indices approved by the City Engineer. The Subdivider may request the City Engineer to approve a change on the pavement structural section subject to an R value test by a City approved soil testing company.
- C.7.8 If cuts are required to install any utility connections on an existing street, the Subdivider will be required to install a 2-inch thick (uniform thickness) asphalt concrete overlay with reinforcing fabric 25 feet from each each side of the trench, for the full width of the street or up to the limits determined by the City Engineer. A 2-inch thick pavement-grind with uniform thickness across the entire width of the pavement or the areas to be applied with asphalt concrete

overlay. The elevation of the pavement crown and the existing pavement cross slope must remain.

- C.7.9 Valley gutters shall not be used to provide drainage across any through street or through intersections.
- C.7.10 All traffic control devices, including stop signs, speed limit signs, street name signs, legends and striping shall be installed in accordance with a detailed striping and signing plan approved by the City Engineer. The Subdivider shall provide documentation that placement of fence on each lot meet the required horizontal sight distance.
- C.7.11 Streetlights shall be installed in accordance with City Standards on a detailed street light plan and at locations approved by the City Engineer.
- C.7.12 To provide the City access to the Project's storm drainage connection to the existing channel, Subdivider is required to design and construct a paved access road along the northern boundary of the Property between the existing storm drainage channel and the masonry wall. The width of the access road shall not be less than 12 feet and the asphalt concrete pavement shall be at least 3 inches thick over an 8 inches thick aggregate base. Cross slope of the entire pavement shall not be less than two percent (2%) and shall drain towards the existing storm drainage channel. Cost of these improvements is the responsibility of the Subdivider without any reimbursement from the City.
- C.7.13 It has been determined that a portion of City's right-of-way on MacArthur Drive south of the I-205 Interstate Highway will not be needed for roadway purposes and it will be vacated. The amount and location of the excess right-of-way on MacArthur Drive is shown on the Tentative Subdivision Map. The Subdivider shall pay all costs associated with the vacation of the excess right-of-way on MacArthur Drive such as street-abandonment processing fees, document recording, and the cost of preliminary title report, legal description and plat map, and reproduction of recorded documents needed by the City. Within fifteen (15) calendar days from the date of City Council's approval of the Tentative Subdivision Map, the Subdivider shall submit a letter requesting the City to begin the street-vacation process. The required street-vacation processing fee must be submitted with the letter. The City shall make reasonable efforts subject to prompt to complete the street vacation process before the approval of the Final Map. The legal description and plat map and is required to be submitted as part of the Final Map application.

C.8 Storm Drainage Facilities

The Subdivider shall prepare improvement plans, and design and construct the required improvements in accordance with the City Regulations, these Conditions of Approval, and the following requirements.

- C.8.1 The storm drainage system shall be designed in accordance with City Regulations. The runoff coefficient shall be consistent with the runoff coefficient adopted by the City Council. No reverse flow shall be permitted in any storm drain lines. All cul-de-sacs shall be designed in such a way that it will drain away from the cul-de-sac bulb towards the intersecting street. The use of bubble-up system within City's right-of-way on Pescadero Avenue and MacArthur Drive will not be permitted.
- C.8.2 Storm drainage drop-inlets shall be installed throughout the Project and where it is required, to ensure no valley gutter conditions exist on through-streets.
- C.8.3 The Technical Memorandum dated November 6, 2007 titled "The Classic/Pombo Square – Concrete Lining of Eastside Channel Bottom" prepared by City's consultant identified that the discharge point for storm water from the Project will be at the existing Eastside Channel located along the northern boundary of the Property. This storm drainage channel was constructed as part of the Community Facilities District 89-1 (CFD 89-1) improvements.

In accordance with the technical report, in order to control erosion at the bottom of the channel, the riprap bottom is required to be upgraded with an 8 inches thick concrete lining for a portion of the storm drainage channel for a total length of 1,067 feet at the location specified in the technical report. The west end of the proposed channel bottom concrete lining that the Subdivider is required to fund is approximately 290 feet away or upstream of the point of connection with the old storm drainage channel. This gap of 290 feet in length also requires concrete lining and will be included on the cost of upgrading the storm drainage channel.

In lieu of performing the work, the Subdivider is required to pay the estimated cost of the upgrade to the City's storm drainage channel as described above in the amount of \$386,745 (1357 lineal feet multiplied by \$285 per lineal foot), prior to the approval of the Final Map. Upon receipt of the cash payment, the City will consider that the Subdivider's obligation towards the upgrade improvements to the City's storm drainage channel to be have been fully satisfied. The City will be responsible for completing the upgrade improvements as part of a storm drainage capital improvement project.

Subdivider shall prepare improvement plans, specifications and cost estimates for City's review and approval. Design, Improvement Plans and Cost Estimates must be completed prior to the approval of the first Final Map. The improvements required under this section shall be constructed as part of the subdivision improvements and must be completed prior the issuance of the first building permit.

C.9 Water System

The Subdivider shall prepare improvement plans, and design and construct the required improvements in accordance with City Regulations, these Conditions of Approval, and the following requirements.

- C.9.1 Prior to approval of any Final Map, the Subdivider shall demonstrate to the satisfaction of the City Engineer that water facilities (capacities at the plant and distribution or transmission lines) are adequate to meet project service demands on a permanent basis, and are, consistent with the City's Water Master Plan. Water analysis may be required to be performed by the City (or its consultant) to determine whether or not this condition has been satisfied for both interim and ultimate needs of the Project. Costs of such analysis by City (including cost of consultants) required to make such finding shall be the responsibility of the Subdivider.
- C.9.2 The Developer shall design and install the fire service line for the Project in accordance with City's Regulations and to the satisfaction of the City's Fire Department. Size, type, location and construction details of the fire service line shall be approved by the Fire Department.
- C.9.3 Water system facilities shall be designed and constructed in accordance with the recommendations of the water network analysis prepared by West Yost & Associates, and as approved by the City. The Subdivider shall comply with all the recommendations of the water network analysis described above, and if necessary, Subdivider shall design and construct the water facilities improvements required in the technical analysis, at the time specified in the technical analysis or as determined by the City.
- C.9.4 The Subdivider shall design and install fire hydrants at the spacing and locations approved by the Fire Department.
- C.9.5 Individual water meter for each lot will be required. The water meter shall be installed at the location approved by the City Engineer. The Subdivider shall submit improvement plans that show the construction detail of the individual water service connection for City's review and approval. Water meter shall be located outside driveway approach and driveway areas. Water service shall be 11 feet away from a sanitary sewer lateral.

C.10 Sanitary Sewer System

The Subdivider shall prepare improvement plans, and design and construct the required improvements in accordance with City Regulations, these Conditions of Approval, and the following requirements.

- C.10.1 Prior to approval of any Final Map, the Subdivider shall demonstrate to the satisfaction of the City Engineer that wastewater facilities (capacities at the treatment plant and collection or conveyance lines) are adequate to meet project service demands on a permanent basis, and are, consistent with the

City's Wastewater Master Plan. Wastewater analysis may be required to be performed by the City (or its consultant) to determine whether or not this condition has been satisfied for both interim and ultimate needs of the Project. Costs of such analysis by City (including cost of consultants) required to make such finding shall be the responsibility of the Subdivider.

- C.10.2 Sanitary sewer lines and manholes to serve this Project shall be designed and constructed in accordance with City Regulations. Sanitary sewer lines that are located outside City rights-of-way will be maintained by the owner of record where the sanitary sewer line(s) is located.
- C.10.3 The location and construction detail of the sewer service (with cleanout) shall be in accordance with City Regulations. Cleanout shall be located outside the driveway approach and driveway areas and shall be 11 feet away from a water service line.

C.11 Neighborhood/Mini and Community Park

- C.11.1 The Subdivider shall pay Infill Properties community and neighborhood/mini park development impact fees (a.k.a. capital in-lieu fees) in lieu of dedicating a park site and constructing a neighborhood/mini park within the Project. Subdivider shall pay the Infill Properties community and neighborhood/mini park development impact fees that are in effect at the time of issuance of the building permit.

C.12 Agreements, Improvement Plans, Improvement Security, and Bonds

- C.12.1 Improvement Plans - Complete improvement plans (drawn upon City furnished mylars), specifications and calculations shall be submitted to and approved by the City Engineer prior to the recordation of the Final Map.
- C.12.2 Inspection Improvement Agreement. Prior to approval of a final map, the Subdivider may request to proceed with construction of the public facilities required to serve the real property described by the final map only if the Subdivider satisfies all of the following requirements to the satisfaction of the City Engineer:
  - C.12.2.1 The Subdivider has submitted all required improvement plans in accordance with the requirements of City Regulations and these Conditions of Approval, and the City Engineer has approved the improvement plans.
  - C.12.2.2 The Subdivider has submitted a complete application for a final map which is served by the required public improvements, and the final map is in the process of being reviewed by the City.
  - C.12.2.3 The Subdivider has paid all required processing fees including plan check and inspection fees.

- C.12.2.4 The Subdivider executes an Inspection Improvement Agreement, in substantial conformance with the City's standard form agreement, by which (among other things) the Subdivider agrees to complete construction of all required improvements, and the Subdivider agrees to assume the risk that the City may not approve the proposed final map.
- C.12.2.5 The Subdivider posts all required improvement security and provides required evidence of insurance.
- C.12.3. Subdivision Improvement Agreement - Concurrently with the City's processing of a final map, and prior to the City's approval of the final map, the Subdivider shall execute a Subdivision Improvement Agreement (for the public facilities required to serve the real property described by the final map), which includes the Subdivider's responsibility to complete all of the following requirements to the satisfaction of the City Engineer:
  - C.12.3.1 The Subdivider has submitted all required improvement plans in accordance with the requirements of City Regulations and these Conditions of Approval, and the City Engineer has approved the improvement plans.
  - C.12.3.2 The Subdivider has submitted a complete application for a final map, which is served by the required public improvements, and the City Engineer has approved the final map.
  - C.12.3.3 The Subdivider has paid all required processing fees including plan check and inspection fees.
  - C.12.3.4 The Subdivider executes a Subdivision Improvement Agreement, in substantial conformance with the City's standard form agreement, by which (among other things) the Subdivider agrees to complete construction of all required improvements.
  - C.12.3.5 The Subdivider posts all required improvement security and evidence of insurance.
- C.12.4 Improvement Security - The Subdivider shall provide improvement security for all public facilities, as required by an Inspection Improvement Agreement or a Subdivision Improvement Agreement. The form of the improvement security may be a bond, or other form in accordance with City Regulations. The amount of the improvement security shall be in accordance with City Regulations, generally, as follows: Faithful Performance (100% of the approved estimates of the construction costs of public facilities), Labor & Material (100% of the approved estimates of the construction costs of public facilities), and Warranty (10% of the approved estimates of the construction costs of public facilities).

- C.12.5 Insurance - For each Inspection Improvement Agreement and Subdivision Improvement Agreement, the Subdivider shall provide the City with evidence of insurance, as follows:
- C.12.5.1 General. The Subdivider shall, throughout the duration of the Agreement, maintain insurance to cover Subdivider, its agents, representatives, contractors, subcontractors, and employees in connection with the performance of services under the Agreement at the minimum levels set forth below.
  - C.12.5.2 Commercial General Liability (with coverage at least as broad as ISO form CG 00 01 01 96) coverage shall be maintained in an amount not less than \$3,000,000 general aggregate and \$1,000,000 per occurrence for general liability, bodily injury, personal injury, and property damage.
  - C.12.5.3 Automobile Liability (with coverage at least as broad as ISO form CA 00 01 07 97, for "any auto") coverage shall be maintained in an amount not less than \$1,000,000 per accident for bodily injury and property damage.
  - C.12.5.4 Workers' Compensation coverage shall be maintained as required by the State of California.
  - C.12.5.5 Endorsements Subdivider shall obtain endorsements to the automobile and commercial general liability with the following provisions:
    - C.12.5.5.1 The City (including its elected and appointed officials, officers, employees, agents, and volunteers) shall be named as an additional "insured."
    - C.12.5.5.2 For any claims related to this Agreement, Subdivider's coverage shall be primary insurance with respect to the City. Any insurance maintained by the City shall be excess of the Subdivider's insurance and shall not contribute with it.
  - C.12.5.6 Notice of Cancellation Subdivider shall obtain endorsements to all insurance policies by which each insurer is required to provide thirty (30) days prior written notice to the City should the policy be cancelled 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.

- C.12.5.7 Authorized Insurers All insurance companies providing coverage to Subdivider 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.
  - C.12.5.8 Insurance Certificate Subdivider shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance, in a form satisfactory to the City.
  - C.12.5.9 Substitute Certificates No later than thirty (30) days prior to the policy expiration date of any insurance policy required by the Agreement, Subdivider shall provide a substitute certificate of insurance.
  - C.12.5.10 Subdivider's Obligation Maintenance of insurance by the Subdivider as specified in the Agreement shall in no way be interpreted as relieving the Subdivider of any responsibility whatsoever (including indemnity obligations under the Agreement), and the Subdivider may carry, at its own expense, such additional insurance as it deems necessary.
- C.12.6 Benefit District - The Subdivider may make a written request to the City for the formation of a Benefit District only if the written request is made prior to the approval of the final map for which the public facilities are required, and in accordance with these conditions of approval and City Regulations (including the Tracy Municipal Code).
- C.12.6.1 The written request shall include a description of all information relevant to the formation of the Benefit District, including the following: the public facility for which the Subdivider requests reimbursement; the estimated costs related to the construction of the public facility; the amount of capacity provided by the public facility; the amount of capacity in the public facility which is supplemental to the capacity required to serve the Project, including a detailed description of the method of allocating capacity; and the dollar amount for which the Subdivider requests reimbursement.
  - C.12.6.2 Concurrently with the written request, the Subdivider (hereinafter, "Responsible Subdivider") shall pay the City a processing fee to cover all costs related to the formation of the Benefit District.
  - C.12.6.3 After the City has received the required processing fee from the Responsible Subdivider, the City shall prepare a first draft Benefit District Study, and the City shall provide a written notice to all affected property owners, and the City shall accept written

comments on the first draft Benefit District Study for a period not less than 14 days. The written notice shall include, at a minimum, the following elements, each to the satisfaction of the City Engineer:

- C.12.6.3.1 A notice of the City's intention to form a Benefit District, and a request for written comments until a specified date not less than 14 days after the date the City sends the written notice.
- C.12.6.3.2 A notice of the date, time, and place of a public hearing before City Council to discuss approval of the Benefit District. The hearing will be scheduled no earlier than 14 days after the date the City sends the written notice.
- C.12.6.3.3 A description of the geographical area ("Benefit District Area") to be served by the Benefit District Public Facilities. This description shall include a description of the assumptions regarding amounts and locations of the proposed land uses and/or dwelling unit types within the Benefit District Area. The description shall include maps, graphs, tables, and narrative text, and a numbering system to identify each legal parcel within the Benefit District Area.
- C.12.6.3.4 A description of the Benefit District Public Facilities. This description shall include an outline of all essential elements of the Benefit District Study in a level of detail satisfactory to the City Engineer.
- C.12.6.3.5 An estimate of all costs related to the construction of the public facilities included in the Benefit District Area. The cost estimate shall include costs of design, construction, construction management, plan check, inspection, land acquisition, program implementation, and contingency.
- C.12.6.3.6 An identification of the owners of real property, other than the Responsible Subdivider, which benefit from the Benefit District Public Facility ("Benefiting Subdividers"). The identification of real property owners shall be based upon information from the County Assessors office, or any other more accurate evidence of property ownership provided to the City, as of the date of the notice of public hearing.

- C.12.6.3.7 A quantification of the capacity (or benefit) created by the Benefit District Public Facilities, a description of how the Responsible Subdivider and the Benefiting Subdividers benefit from the Benefit District Public Facility, a description of the method of spreading the capacity to the Responsible Subdivider and the Benefiting Subdividers, a description of the method of spreading the cost of the Benefit District Public Facility to the Responsible Subdivider and the Benefiting Subdividers so that there is a reasonable relationship between each development project and the benefit received from the Benefit District Public Facility, and a quantification of the resulting Benefit District Fee.
- C.12.6.3.8 A statement that the full text of the final draft Benefit District Study is available for review, upon request, in the office of the City Engineer. The Benefit District Study shall include, at a minimum, the following items prepared to the satisfaction of the City Engineer, in accordance with City Regulations: a preliminary design based upon technical analysis of the Benefit District Public Facilities, and a precise plan line describing the location of the Benefit District Public Facilities. The precise plan line for any roadway shall take into consideration, and coordinate with, the alignment of all other required public facilities including water, wastewater, and storm drainage, as well as other private utilities.
- C.12.6.4 After the City Council approves the Benefit District Study, any final map for any Benefiting Subdivider shall not be approved by the City until the Benefiting Subdivider demonstrates to the satisfaction of the City Engineer that either: (1) the Benefiting Subdivider has entered into a written agreement with the Responsible Subdivider including essential terms in a form substantially the same as that set forth in Condition subsection f, below; or (2) the Benefiting Subdivider has paid a Benefit District Fee to the City (to be reimbursed to the Responsible Subdivider) for the Benefiting Subdividers' proportionate share of all costs related to construction of the Benefit District Public Facilities, in an amount established by the City Engineer (including the City's cost of administering the collection of the fee and reimbursement to the Responsible Subdivider) in accordance with the approved Benefit District Study.
- C.12.6.5 After the City Council approves the Benefit District Study, the Benefit District Fee shall be a fixed dollar amount, and the

obligation to pay the Benefit District Fee shall be recorded against the real property of all Benefiting Subdividers. Provided, however, that the Responsible Subdivider or any Benefiting Subdivider may apply for an amendment to the Benefit District Study in the event that the subdivider establishes, to the satisfaction of the City Engineer, that actual construction costs vary from the estimated construction costs by more than 10 percent. The application for the amendment to the Benefit District Study shall include the payment of a processing fee by the Responsible Subdivider to cover the City's estimated costs of reviewing the application. A notice of the request for amendment shall be sent to all Benefiting Subdividers, including all relevant information and notice of public hearing as required by this condition. The amendment shall be subject to the approval of City Council at a duly noticed public hearing.

- C.12.6.6 The form of the agreement between the Benefiting Subdivider and the Responsible Subdivider, as referenced in Condition subsection d, above, shall contain, at a minimum, all of the following essential elements, to the satisfaction of the City Engineer: (a) Identifying information including: an identification of the legal names of all relevant parties, an identification of the Benefit District Public Facilities which is the subject of the agreement, an identification of the legal descriptions of all real property benefiting from the Benefit District Public Facilities, a quantification of the dollar amount paid by the Responsible Subdivider for the costs related to construction of the Benefit District Public Facilities, a quantification of the Benefiting Subdivider's proportionate share of the costs related to construction of the Benefit District Public Facilities; and (b) The Responsible Subdivider's signed waiver of rights to any reimbursement in language substantially the same as the following: "The Responsible Subdivider hereby acknowledges that it has received valuable consideration from the Benefiting Subdivider, in return for which the Responsible Subdivider hereby waives its right to request reimbursement for the Benefiting Subdivider's proportionate share of the costs related to construction of the Benefit District Public Facilities. The Responsible Subdivider shall indemnify, defend, and hold harmless the Benefiting Subdivider and the City of Tracy (including their officials, officers, agents, 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 Benefiting Subdivider's failure to pay an in-lieu fee to the City for costs related to construction of the Benefit District Public Facilities."

- C.12.6.7 The City shall use reasonable efforts to administer the reimbursements from the Benefiting Subdivider to the Responsible Subdivider. The City shall make reimbursement payments to the Responsible Subdivider only to the extent that the City actually receives reimbursement payments from Benefiting Subdividers pursuant to Condition subsection d, above. Under no circumstances will the City be required to make any reimbursement payments to the Responsible Subdivider unless the City has actually received an equivalent sum in reimbursement payments from a Benefiting Subdivider. The City shall make no reimbursement payments to the Responsible Subdivider until after the construction of the Subregional Public Facilities are accepted as complete by the City Council. The right to receive reimbursement payments, if any, shall be personal to the Responsible Subdivider and shall not run with the land.
- C.12.6.8 The Responsible Subdivider shall maintain a file, for a minimum of five years after completion of construction of the Benefit District Public Facility, of all original documents related to: the construction of the Benefit District Public Facility, and all costs for which the Responsible Subdivider seeks reimbursement. The Responsible Subdivider shall provide access to the file to the City, upon reasonable prior notice from the City. After completion of construction of the Benefit District Public Facility, the Responsible Subdivider shall provide access to the file to any Benefiting Subdivider, upon reasonable prior notice from the Benefiting Subdivider.
- C.12.7 Within twenty (20) days of approval of the Final Map, the Subdivider shall provide the City one (1) set of reproducible duplicates on polyester film of all approved Improvement Plans for the development. Upon completion of the work, the City shall temporarily release the originals to the Subdivider for revisions to show the "As Built" configuration of all improvements. These Record Drawings shall be submitted within 30 days of Council acceptance of the public improvements and release or partial release of Bonds, etc. shall be contingent upon submittal of "As Built" originals.

**C.13 Fees and Deposits**

- C.13.1 The Subdivider shall participate and pay required fees in accordance with the Infill Properties Finance Implementation Plan (FIP) and all amendments and update to the FIP, for public improvements including public buildings, parks, wastewater treatment plant upgrade, water treatment plant upgrade, roadways, and storm drainage as established by the City, except for water distribution system and wastewater conveyance which are paid through assessments as lien on the Property through Assessment District 87-3 and 84-1, respectively. The final development impact fees to be paid by the

Subdivider shall be the Infill Properties development impact fees that are in effect at the time of issuance of the building permit.

- C.13.2 The Subdivider shall participate in any applicable Benefit Districts and/or Assessment Districts as required by the City, and shall pay all formation and processing fees, as required by these Conditions of Approval.

C.14 City Release of Improvement Security

C.14.1 The City shall not release any improvement security for faithful performance until the Subdivider has completed all required public improvements and provided as-built plans, all to the satisfaction of the City Engineer, and subject to the final approval and acceptance by the City Council. Within twenty (20) days after the City's approval of the Final Map, the Subdivider shall provide the City one (1) set of reproducible duplicates on polyester film of all approved Improvement Plans. Upon completion of the construction by the Subdivider, the City shall temporarily release the originals to the Subdivider so that the Subdivider will be able to document revisions to show the "As Built" configuration of all improvements. The Subdivider shall submit these As-Built Plans (or Record Drawings) to the City Engineer within thirty calendar (30) days after City Council's acceptance of the public improvements.

- C.14.2 The City shall not release any improvement security for labor and materials (also known as payment bond) until the statutory time has passed for claimants to file claims with the City on the security and until the As-Built Plans as listed above are submitted to the City in a satisfactory manner. Generally, claimants have six months after acceptance of improvements to file a claim.

C.15 Miscellaneous

C.15.1 Prior to approval of the Final Map, for each phase, the Subdivider shall coordinate with the City and the School Districts regarding pedestrian and vehicular access to schools from this Project, and submit to the City improvements plans showing pedestrian routes, facilities for bus transportation and bike paths for approval by the City. Subdivider shall design and construct "School Zone" improvements as determined by the City, all at the Subdivider's sole cost and expense, without any reimbursement from the City. Subdivider shall pay for the cost of design, preparation of improvement plans, engineering calculations, construction, plan checking and engineering inspection and all costs for complying with the requirements under this section.

- C.15.2 The Property is within the boundaries of Assessment District 84-1 (Wastewater Facilities) and Assessment District 87-3 (Water Facilities). The Subdivider shall provide, for each assessment district in which subdivision is

located, all preliminary assessment maps and payment of fees as required by the City Engineer, for proper segregation of said assessment district, prior to the approval of the Final Map by the City Council. The segregation of sewer and water assessment and recordation of sewer and water assessment maps including the notice of amending water and sewer assessments must be recorded at the San Joaquin County Recorder must be completed, prior to the issuance of building permit.

- C.15.4 The Subdivider shall coordinate with the Tracy United States Postal Service (USPS) Post Master for location of, and installation (by Subdivider) of, cluster type mailbox units within the Project. Design and construction details of the cluster mailbox shall be in accordance with USPS requirements and these Conditions of Approval. Concrete pad for the mailbox shall extend from the back of the sidewalk to the street right-of-way line or property line of the adjacent residential lot where the mailbox is installed. Subdivider shall submit an improvement plans showing the location and construction details of all the cluster mailbox(s) that will be installed within the Project. Cluster mailbox shall be at least 8 feet away from a fire hydrant or streetlight.
- C.15.7 All existing on-site wells shall be abandoned in accordance with the City and San Joaquin County requirements. All costs associated with the abandonment of existing wells including the cost of permits, if required, shall be the responsibility of the Subdivider. The Subdivider shall provide the City documentation or copy of permit issued by the San Joaquin County, approving the removal of destruction of existing well, if applicable, prior to the issuance of the Grading Permit.
- C.15.8 Nothing contained herein shall be construed to permit any violation of relevant ordinances and regulations of the City of Tracy, or other public agency having jurisdiction. These Conditions of Approval does not preclude the City from requesting additional revisions and requirements to the Improvement Plans, prior to the City Engineer's signature and approval of the proposed improvement plans, if the City deems it necessary. The Subdivider shall bear all cost for the inclusion, design, and implementations of such additions or revisions and requirements, without reimbursement or any payment from the City.

AGENDA ITEM 4

REQUEST

**PUBLIC HEARING TO CONSIDER AN APPEAL OF THE PLANNING COMMISSION DENIAL OF DEVELOPMENT REVIEW APPLICATION D14-0003 FOR A 45,000 SQUARE FOOT MEDICAL OFFICE BUILDING LOCATED AT 445 WEST EATON AVENUE AND A PARKING LOT AT 418, 424, 432, AND 434 WEST EATON AVENUE. APPLICANT IS DAVID O. ROMANO AND PROPERTY OWNER IS SUTTER GOULD MEDICAL FOUNDATION, APPLICATION NUMBER APL14-0001**

EXECUTIVE SUMMARY

This agenda item is an appeal of the Planning Commission's denial of Sutter Gould Medical Foundation's Development Review Application D14-0003 (Sutter). Sutter is proposing to demolish an existing medical office building and construct a new larger medical office building and associated parking lots on Eaton Avenue, east of Bessie Avenue. On March 26, 2014, the Planning Commission discussed and denied the project because the project, as designed, proposes undesirable impacts to neighboring properties. On April 9, 2014, David O. Romano filed an appeal with the City Clerk, and on April 1, 2014, he requested that the appeal be discussed by the City Council at the regularly scheduled May 20, 2014, public hearing. No justification for the appeal was included in the appeal request letter (Attachment A).

DISCUSSION

Project Description, Background, and Location

Sutter is proposing to construct a new 45,000 square foot medical office building and associated parking areas. The project would require the demolition of an existing 25,000 square foot medical office building known as Eaton Medical Plaza and existing residential buildings. According to the applicant, the existing Eaton Medical Plaza building is approximately 60% occupied by Sutter and independent health care professionals. Sutter proposes to keep the building in operation while the new facility and parking areas are constructed, then demolish the Eaton Medical Plaza building and install parking areas in its place. The project is proposed to be constructed in phases lasting up to 18 months, according to the applicant.

The project site is east of the intersection of Eaton Avenue and Bessie Avenue, near the Tracy Sutter Community Hospital (Attachment B). The project site is made up of a 2.6 acre parcel on the north side of Eaton Avenue (comprised of two lots) and a 1.3-acre parcel on the south side of Eaton Avenue (comprised of four lots). A two-story medical office building and parking area are proposed on the northern parcel and additional parking is proposed on the southern parcel (Attachment C). Both parking areas are required to serve the facility and comply with the off-street standards established in the Tracy Municipal Code.

The project site is designated Office in the General Plan and zoned Medical Office (MO). It is bordered by the MO zone to the north and west and by the Medium Density

Residential (MDR) zone to the east and south. Medical offices are a permitted use in the MO zone.

There are existing residences and medical office uses in the vicinity. Many properties in the MO zone are still occupied by residential uses that were constructed around the 1920's, prior to the establishment of the MO zone in 1988. Over time, several of these properties have been converted to medical offices with City permits.

#### Application Review

The project site lies on the eastern edge of the MO zone (Attachment B), adjacent to existing single-family homes. While medical office uses are permitted, the City has an opportunity to ensure successful integration of the building and site improvements with the adjacent residential neighborhoods through the Development Review permit process. Site planning considerations include the following:

- Mitigation of light, noise, privacy, and undesirable aesthetic impacts of the building on neighboring residences
- Building location and architecture that is complementary with the buildings in the vicinity and neighborhood context
- Streetscape experience after the removal of buildings and trees currently lining Eaton Avenue
- Improved vehicular circulation by locating the driveways further from the intersections
- Improved pedestrian circulation by encouraging pedestrian use of the crosswalk when the building is closer to the intersection
- Loss of established mature on-site trees and street trees on Eaton Avenue

Staff communicated with the applicant during the pre-application and application review period to resolve design issues and attain a design that complies with City regulations and standards, further described below. The applicant has ultimately decided to propose the project to be constructed as shown in the plans dated March 4, 2014, (Attachment C) and requested the project be brought before the Planning Commission for consideration without further modification as requested by staff. Final actions on Development Review permits are typically made by the Development Services Director; however, in accordance with Tracy Municipal Code (TMC) Section 10.08.4020, the Director may refer applications to the Planning Commission. Due to the community interest in the project, the Development Services Director has determined that it would be best to involve the Planning Commission in the project discussion and action at the public hearing held on March 26, 2014, further described below.

#### Development Review Findings

TMC Section 10.08.3990 establishes the required findings for the approval of a Development Review application. Below are the findings that, in staff and Planning Commission's assessments, indicate that the project cannot be approved as proposed.

**TMC 10.08.3990(b):** The benefits of occupancy of other property in the vicinity is impaired.

The existing residences adjacent to the project site will be negatively impacted in the areas of light, noise, and privacy due to the close proximity of the building to the residences. The building is proposed to be approximately 30 feet from the rear yards of these homes.

**TMC 10.08.3990(f):** Unsightliness which, if permitted to exist, causes a decrease in the value of surrounding properties.

The project proposes two large parking areas, both of which will be readily visible from the public streets, the residences, and the businesses in the vicinity.

#### General Plan Objectives and the Design Goals and Standards

The General Plan establishes the goals, objectives, policies, and actions for development in the City. The Design Goals and Standards, adopted by City Council in 2002, establishes specific design criteria for achieving high quality architecture, site planning, and landscaping throughout the commercial areas of the City. The General Plan contains many policies which should be read together as a means for the community to broadly interpret their meaning and application to any specific situation. The following are relevant policies and standards, and the project could be revised to better further these objectives and standards.

#### **General Plan Urban Design Principle 5: Building Siting to Hold Corners**

Building siting to “hold corners” refers to the practice of placing development on sites located at the corner lots of intersections built close to or at the lot line. Strategically placing it on corner sites gives better definition to an intersection, which makes pedestrians feel less exposed to the adjacent traffic. Ensuring that buildings in Tracy are designed to hold the corners of key intersections will enhance the visual quality and the safety of the pedestrian environment as compared to development that provides “a sea of asphalt” to passersby.

**General Plan Objective CC-1.1, Policy P3:** All new development and redevelopment shall adhere to the basic principles of high-quality urban design, architecture and landscape architecture including, but not limited to, human-scaled design, pedestrian-orientation, interconnectivity of street layout, siting buildings to hold corners, entryways, focal points and landmarks.

The building is proposed to be located in the central portion of the site, set back approximately 165 feet from the corner of Bessie and Eaton Avenues, and construct a parking area between the building and the corner. The applicant proposes to screen public views of the parking area with a large oak tree relocated from its current location in the center of the existing parking area, along with other new landscaping. While landscaping can be effective at screening parking areas, staff believes this objective could be better furthered by locating the building at the corner.

**General Plan Objective CC-3.1, Policy P1:** The City shall encourage the preservation, enhancement and conservation of historic and older neighborhoods, such as Lincoln Park, through its direct actions.

**General Plan Objective CC-3.1, Policy P3:** New development, redevelopment, alterations and remodeling projects should be sensitive to surrounding historic context.

**General Plan Objective CC-6.3:** Preserve and enhance character of existing residential neighborhoods.

While the building's proposed architecture is high in quality and incorporates many positive and aesthetically-pleasing features, it is modern in character with its use of large, square building massing, repetitive window placement, industrial materials and colors, and flat parapet roofs. The neighboring residences are primarily single-story bungalow and cottage-style buildings, employing features such as wood siding, brick accents, pitched rooflines, and porches. By incorporating some of these features, the building could relate better to the context of existing development in the vicinity and better further these General Plan objectives.

**Commercial Design Standard 6:** Corporate identity shall be secondary in the design of projects, and projects should be consistent in integrity with the architecture of the surrounding community.

According to the applicant, the building's architecture is a reflection of Sutter's new corporate image that is being introduced in the Central Valley. The architecture would be more consistent with that of the surrounding community by either incorporating brick to match the nearby hospital or by emulating design elements characteristic of the nearby bungalow and cottage-style houses.

**Commercial Design Standard 7:** All separate structures on a site shall have consistent architectural detail and design elements to create a cohesive project site.

Sutter has explained that this medical facility will be an extension of their hospital services and desires to develop a "Sutter campus" in this area of Tracy. The two distinctly different architectural building styles and the placement of the new facility further away from the hospital weakens the "campus" design. The "campus" feel could be strengthened by locating the building at Bessie Avenue to be closer to the hospital and by designing the building to match the hospital architecturally.

**General Plan Objective CC-11.3:** Minimize the impact of parking on the pedestrian environment in Employment Areas.

**Commercial Design Standard 5:** Parking areas should be de-emphasized by placing them behind well-designed buildings. Grade differences between the street and a parking lot are also helpful to detract from the view of a "sea of cars" and direct attention to the buildings on the site while also giving a feeling of separation from the commercial area to the street.

The parking area is proposed to be located in front of the building to be highly visible from Bessie and Eaton Avenues. The parking area could be better de-emphasized by locating the building at the corner and the parking area to its rear. The employee parking area on the south side of Eaton Avenue could be visually

mitigated by constructing a visual barrier along Eaton Avenue, or both parking areas could be constructed at a lower grade than the street, or further screened.

**General Plan Objective CIR-1.6:** Maximize traffic safety for automobile, transit, bicycle users, and pedestrians

A new driveway is proposed on Eaton Avenue approximately 100 feet east of the intersection of Eaton and Bessie Avenues. Circulation best practices demonstrate that locating driveways further from intersections improves the efficiency and flow of circulation. Additionally, two mid-block crossings are proposed; one on Eaton Avenue to the proposed employee parking area and one on Bessie Avenue to the hospital. The City Engineer has determined that the mid-block crossings are not warranted for safety and will not improve circulation on these streets. Pedestrians may legally cross at any point on both streets, and the intersection at Eaton and Bessie Avenues has been specifically designed for safe and efficient handicapped-pedestrian crossings.

**General Plan Objective OSC-5.1, Policy P1:** The City shall promote development patterns and construction standards that conserve resources through appropriate planning, housing types and design, and energy conservation practices.

**General Plan Objective OSC-5.1, Policy P2:** The City shall encourage the establishment and maintenance of trees on public and private property to create an urban forest.

**Landscape Design Goal 4:** Maintain mature landscape areas

The new driveway proposed on Eaton Avenue is in the same location as two mature street trees. Construction of the driveway at this location would require the removal of these mature trees. These mature trees could be preserved with the building located at the corner and the building and driveway located away from existing trees.

Neighborhood Concerns

The City typically encourages project applicants to meet with project site neighbors when the proposed project may be of interest or have an effect on those neighbors. During application review, neighbors contacted staff with concerns relating to the building location and anticipated light and noise impacts. On September 3, 2013, the City received a petition addressed to Sutter Gould and the City of Tracy signed by 29 residents in opposition to the project as designed and highlighted three desired project modifications (Attachment D). These included locating the building at the corner, preserving the largest oak tree and incorporating it into the site design, and relocating the trash enclosure, ambulance services, and other typically noisy appurtenances further from the residences. The applicant subsequently held neighborhood meetings on October 3 and October 20, 2013, which staff learned about through articles published in the Tracy Press. According to the Tracy Press, primary concerns raised by the neighbors included noise, traffic and parking, lack of privacy, and preservation of established trees. These concerns mirror the concerns outlined in the September 3, 2013, petition. According to the applicant, some of these requests have been

acknowledged in the project design, including planting of a landscape screen along the eastern perimeter, relocating the trash enclosure to the interior of the site, and working with an arborist to preserve and replant the largest Valley Oak tree elsewhere on the site.

#### Planning Commission Discussion

On March 26, 2014, the Planning Commission met to discuss the project, with one Commissioner abstaining. Staff delivered a staff report recommending denial based on the matters described above, and representatives on behalf of the applicant presented a PowerPoint presentation. A number of residents spoke in opposition of the project as designed, citing reasons relating to building proximity to houses, building height, undesirable aesthetic impacts, lack of sufficient parking, increase in traffic, detriment to the established neighborhood's character, loss of mature shade trees, and unlikeliness of the Valley Oak surviving its extraction and replanting. No members of the public spoke in favor of the project as proposed. After discussion, the Planning Commission stated that while they are not opposed to Sutter's building and services expansion, the project could not be approved as designed and unanimously voted to deny the project based on the inability to make the findings for approval of Development Review. The minutes from this meeting are attached to the staff report.

#### Environmental Document

The project is exempt from CEQA pursuant to Guidelines Section 15270, projects which are disapproved. This exemption pertains to projects which a public agency rejects or disapproves.

#### FISCAL IMPACT

This agenda item will not require any expenditure of funds. The staff time spent processing the application was funded by the receipt of the required application processing fees.

#### STRATEGIC PLAN

This agenda item is not related to one of the Council's Strategic Plans.

#### RECOMMENDATION

As described above, the project may need to be revised in order to meet City goals and policies. Staff communicated these goals and policies with the applicant during the pre-application period and on numerous occasions during the application review process to resolve design issues and achieve a design that complies with City regulations and standards. The applicant has ultimately decided to propose the project to be constructed as shown in the plans dated March 4, 2014, and requested the project be brought before the Planning Commission for consideration.

Staff recommends that the City Council deny the appeal based on the findings contained in the City Council Resolution dated May 20, 2014, and ask the applicant to submit a revised application more closely meeting City policies.

Prepared by: Kimberly Matlock, Assistant Planner

Reviewed by: Bill Dean, Assistant Development Service Director  
Andrew Malik, Development Services Director  
Gary Hampton, Interim Assistant City Manager

Approved by: Maria A. Hurtado, Interim City Manager

#### ATTACHMENTS

Attachment A – Appeal Request Letters

Attachment B – Location Map

Attachment C – Site, Civil, Floor, Landscape, Elevation, and Construction Phasing Plans  
(Oversize: Copies available in Development Services Department, City Hall)

Attachment D – Resident Petition Received September 3, 2013 (Excerpt)

Attachment E – Planning Commission March 26, 2014 Meeting Minutes (Excerpt)

# NEWMAN ROMANO

A California Limited Liability Company  
CITY CLERK'S OFFICE

2014 APR -9 AM 10:59

CITY OF TRACY  
TRACY, CA

1034 12<sup>th</sup> Street  
Modesto, California 95354  
Phone: (209) 521-9521  
Fax: (209) 521-4968

April 9, 2014

Sandra Edwards, City Clerk  
City of Tracy  
333 Civic Center Plaza  
Tracy, CA 95376

Via Hand Delivery

Re: Application No. D14-0003: Sutter Gould Medical Foundation/A.E. Carrade  
Development Review Application

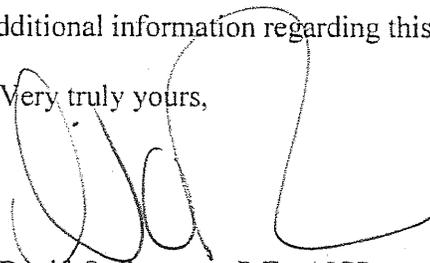
Dear Ms. Edwards:

On March 26<sup>th</sup>, 2014, the City of Tracy Planning Commission denied a request by A.E. Carrade and Sutter Gould Medical Foundation to construct a 45,000 square foot medical office building at the northeast corner of West Eaton Avenue and Bessie Avenue and an associated parking lot on the south side of West Eaton Avenue.

This letter constitutes an appeal of the Planning Commission action consistent with the City of Tracy Municipal Code section 10.08.4040 Appeals. Enclosed herewith you will find a check payable to the City of Tracy in the amount of \$291 as the appeal fee.

Please let me know if you need any additional information regarding this matter.

Very truly yours,

  
David O. Romano, P.E., AICP

DOR:krm

cc: Sutter Gould Medical Foundation, Paul DeChant, MD, CEO  
Sutter Tracy Community Hospital, David Thompson, CEO  
Valley Ventures LLC, A.E. "Buz" Carrade

# NEWMAN~ROMANO

A California Limited Liability Company

1034 12<sup>th</sup> Street  
Modesto, California 95354  
Phone: (209) 521-9521  
Fax: (209) 521-4968

April 11, 2014

Maria Hurtado, Interim City Manager  
City of Tracy  
333 Civic Center Plaza  
Tracy, CA 95376

Via Email  
em@ci.tracy.ca.us

Re: Application No. D14-0003: Sutter Gould Medical Foundation/A.E. Carrade  
Development Review Application

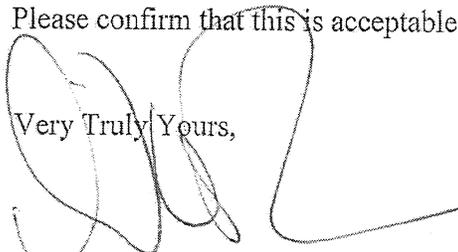
Dear Ms. Hurtado:

On Wednesday, April 9, 2014, an appeal of the Planning Commission's determination on the aforementioned matter was filed with the City Clerk. City of Tracy Municipal Code section 1.12.020(b)(3) states the hearing on the appeal should be held within thirty (30) days of the date the appeal is filed. This same section states "[t]he parties may extend this time by agreement".

As the appellant, we hereby consent to the waiving of the thirty (30) day requirement, and request the appeal be scheduled for the May 20<sup>th</sup>, 2014 City Council meeting, as key members of the project team will be unavailable on May 6<sup>th</sup>.

Thank you for your consideration. Please confirm that this is acceptable as soon as possible.

Very Truly Yours,

  
David O. Romano, P.E., AICP

DOR: wg

cc: City of Tracy, City Clerk, Sandra Edwards  
Sutter Gould Medical Foundation, Paul DeChant, MD, CEO  
Sutter Tracy Community Hospital, David Thompson, CEO  
Valley Ventures LLC, A.E. "Buz" Carrade

# Location Map



To: Sutter Gould & City of Tracy

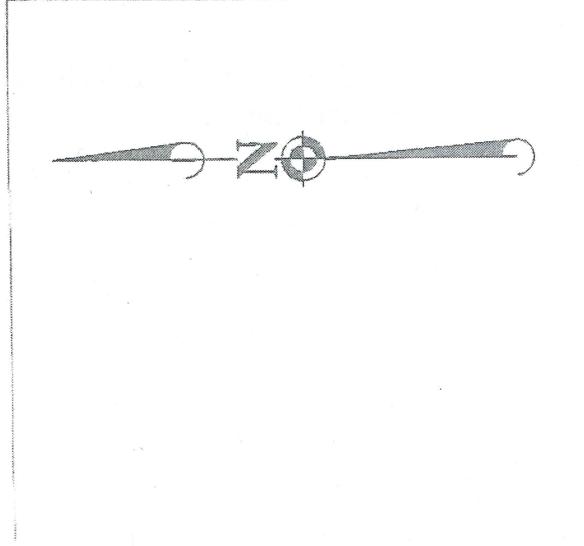
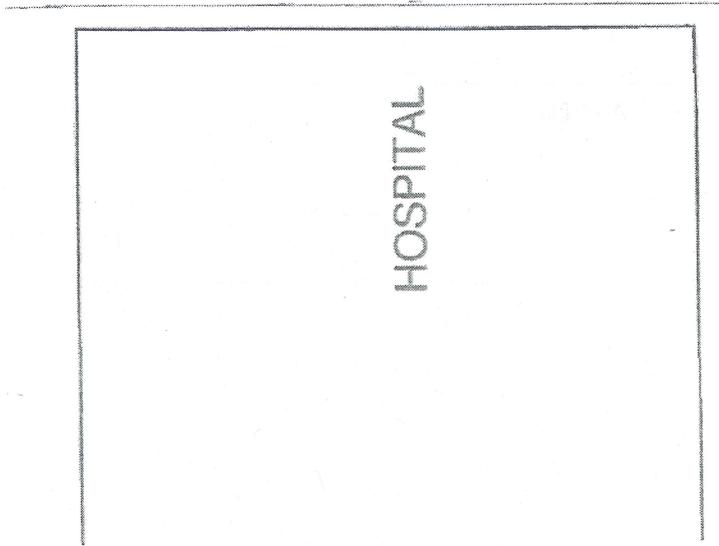
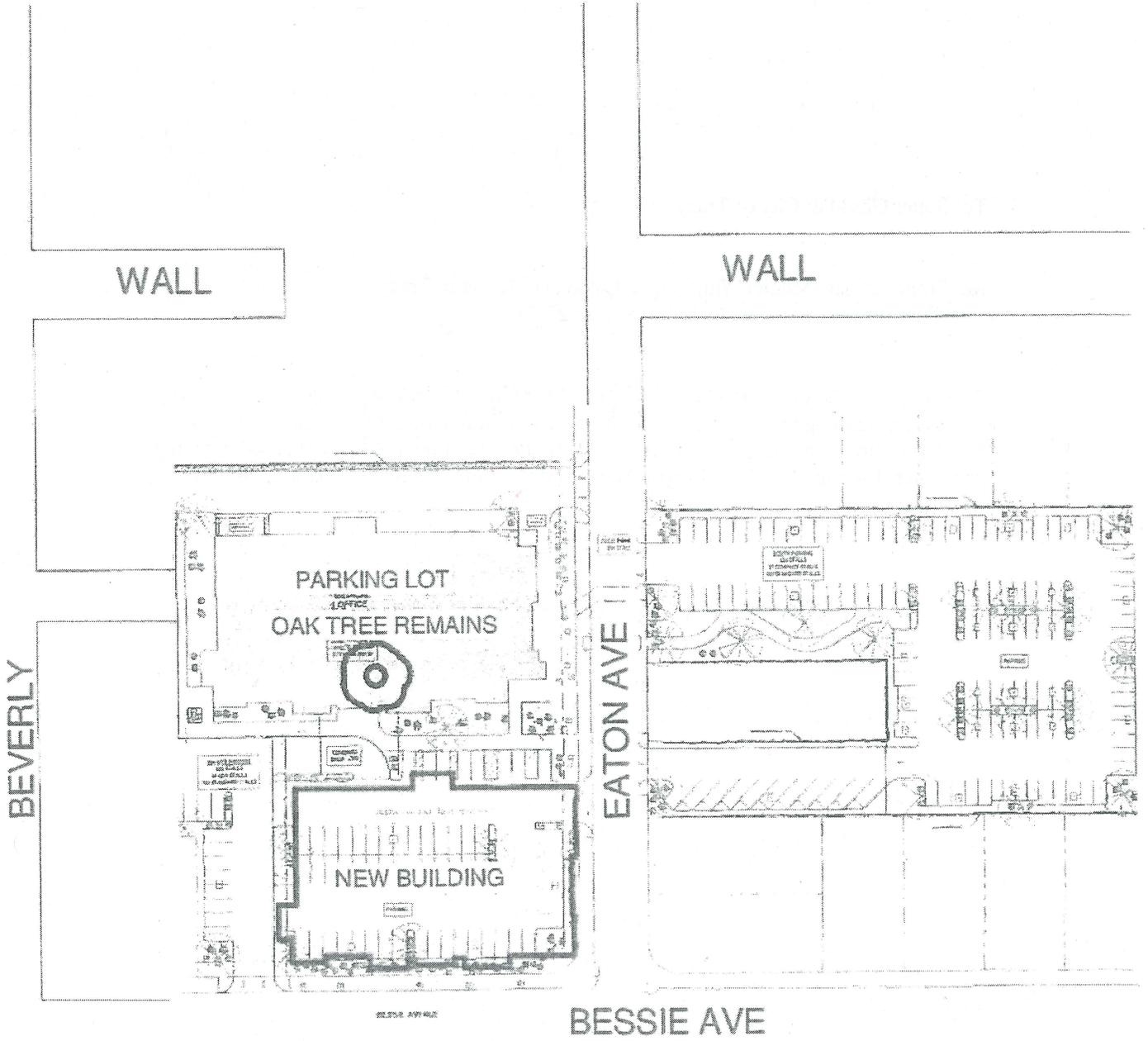
Re: Proposed new Medical Building at Eaton and Bessie in Tracy  
Plan submitted to City of Tracy August 22, 2013.

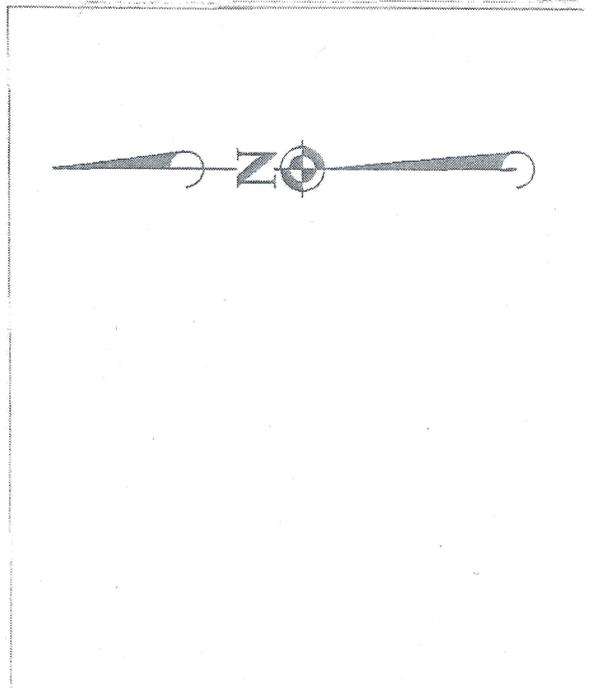
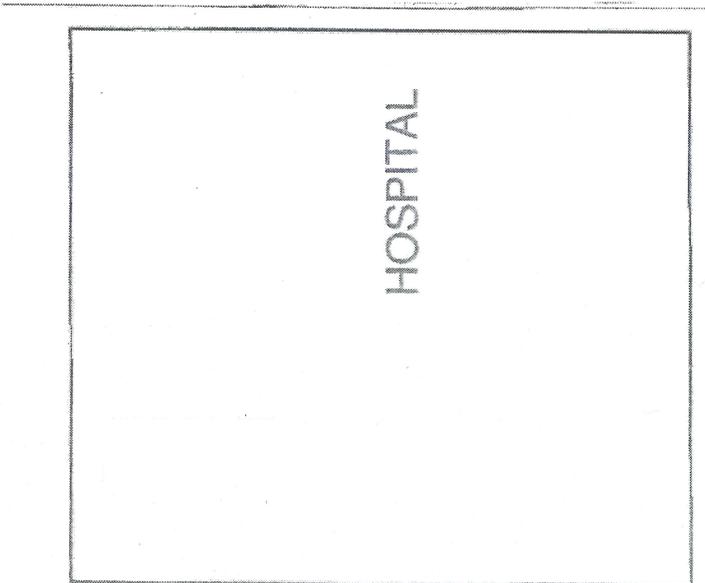
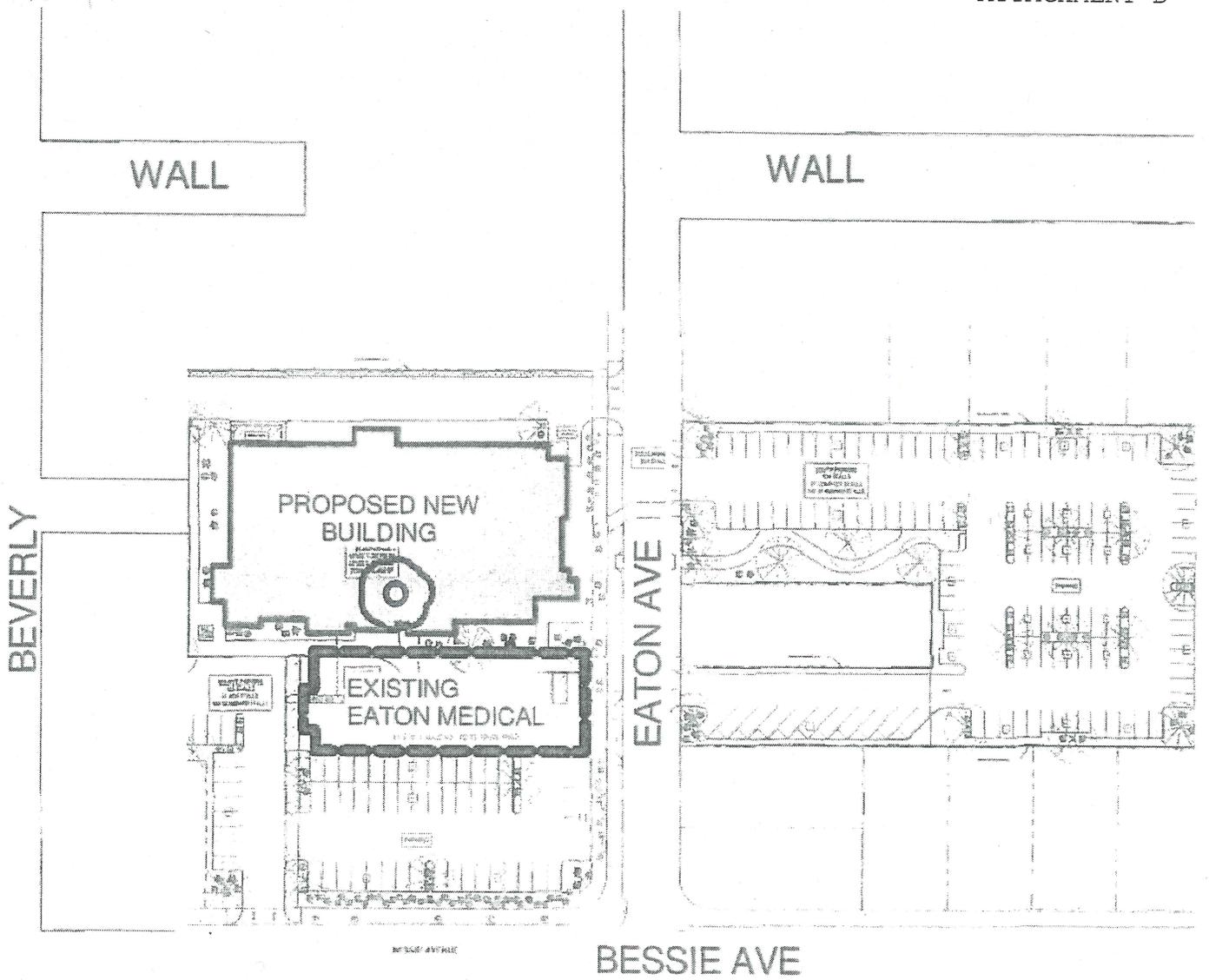
As a neighbor and/or property owner, I expect the City of Tracy and Sutter Gould in the process of planning the new Sutter Gould medical building on the 400 block of West Eaton give proper consideration to our residential neighborhood and good urban planning principles. I/we support the following items and want them to be incorporated into the final plan:

- 1. The new building shall be placed at the corner of Bessie and Eaton, so that a pedestrian can enter from the sidewalk.
- 2. The existing large "heritage" oak tree shall be saved and incorporated into the design as a focal point (possibly landscaping - seating - pond).
- 3. The trash enclosure, ambulance services, etc. shall be placed to minimize the impact to the adjacent residential neighborhoods.

<p>717 Mary Souza Mitrales</p>	<p>9/3/13</p>
Signed	Date
<p>Mary Mitrales</p>	<p>407 W. EATON 363 W. EATON</p>
Print name	Address

ATTACHMENT D





**MINUTES  
TRACY CITY PLANNING COMMISSION  
WEDNESDAY, MARCH 26, 2014 – 7:00 P.M.  
CITY OF TRACY COUNCIL CHAMBERS  
333 CIVIC CENTER PLAZA**

**CALL TO ORDER**

Chair Sangha called the meeting to order at 7:00 p.m.

**PLEDGE OF ALLEGIANCE**

Chair Sangha led the pledge of allegiance.

**ROLL CALL**

Roll Call found Chair Sangha, Vice Chair Orcutt, Commissioner Johnson, Commissioner Mitracos, and Commissioner Ransom. Also present were staff members Andrew Malik, Development Services Director; Bill Dean, Assistant Development Services Director; Victoria Lombardo, Senior Planner; Criseldo Mina, Senior Civil Engineer; Kimberly Matlock, Assistant Planner; Bill Sartor, Assistant City Attorney; and Janis Couturier, Recording Secretary.

**MINUTES APPROVAL**

Chair Sangha requested approval of the February 26, 2014 minutes. Commissioner Johnson made a motion to approve the Planning Commission minutes dated February 26, 2014 and Commissioner Orcutt seconded; all in favor, none opposed.

**DIRECTOR'S REPORT REGARDING THIS AGENDA – None**

**ITEMS FROM THE AUDIENCE – None**

1. **OLD BUSINESS** – None

2. **NEW BUSINESS**

**B. PUBLIC HEARING TO CONSIDER A DEVELOPMENT REVIEW APPLICATION FOR A 45,000 SQUARE FOOT MEDICAL OFFICE BUILDING LOCATED AT 445 WEST EATON AVENUE AND A PARKING LOT AT 418, 424, 432, AND 434 WEST EATON AVENUE. APPLICANT IS A.E. CARRADE AND PROPERTY OWNER SUTTER GOULD MEDICAL FOUNDATION - APPLICATION NUMBER D14-0003**

Prior to the introduction of agenda item 2B, Commissioner Mitracos advised that he lived in the neighborhood involved, recused himself and left the dais.

Chair Sangha introduced the item and requested the staff report.

Kimberly Matlock, Assistant Planner, advised that the Sutter Gould Medical Foundation (Sutter) proposed to construct a new 45,000 square foot medical office building and associated parking

Planning Commission Minutes  
March 26, 2014  
Page 2

areas in the place of an existing 25,000 square foot medical office building known as Eaton Medical Plaza and existing residential buildings located on the north and south sides of Eaton Avenue, east of Bessie Avenue. She added that Sutter proposed to keep the Eaton Medical Plaza building in operation while the new facility and parking areas are constructed, then demolish the Eaton Medical Plaza building and install parking areas in its place. In addition, the new building is proposed to be constructed in the middle of the site on the north side of Eaton Avenue, surrounded by parking area with access from Eaton Avenue, Bessie Avenue, and Beverly Place. Additional parking intended for employees is proposed to be constructed on the south side of Eaton Avenue with two driveways onto Eaton Avenue.

Ms. Matlock explained that the project site has been designated Office in the General Plan and zoned Medical Office (MO). Medical offices and their parking areas are permitted uses in the MO zone. She stated that final actions on Development Review permits would typically be made by the Development Services Director; however, due to the community interest in the project, the Director determined that it would be best to bring the project before the Planning Commission.

Ms. Matlock advised that the project site was located on the southeast perimeter of the MO zone, adjacent to existing single-family homes zoned Medium Density Residential. Many properties in the MO zone were still occupied by residential uses that were constructed around the 1920's, prior to the establishment of the MO zone in 1988. Over time, several of these properties have been converted to medical offices with City permits adding that while medical office uses are permitted, the City now has an opportunity to ensure successful integration of the building and site improvements with the adjacent residential neighborhoods through the Development Review permit process.

She then proceeded to discuss some of the site plan considerations which included the mitigation of light, noise, privacy, and undesirable aesthetic impacts of the building on neighboring residences. In addition, building location and architecture that is complementary with the buildings in the vicinity and neighborhood context and the streetscape experience after the removal of buildings and trees currently lining Eaton Avenue needed to be considered. Improved vehicular circulation by locating the driveways further from the intersections, improved pedestrian circulation by encouraging pedestrian use of the crosswalk when the building is closer to the intersection and the loss of established mature on-site trees and street trees on Eaton Avenue were additional factors to be considered.

Ms. Matlock then summarized the interaction with the applicant by stating that staff had communicated with the applicant during the 12-month pre-application and two-month application review period to resolve design issues and attain a design that complied with City regulations and standards. She stated that staff's largest concern was regarding the site design and the benefits of locating the building on the corner to provide a greater buffer between the building and adjacent residences, to improve vehicular and pedestrian circulation, to enhance the streetscape experience, and to preserve as many existing mature trees as possible. She indicated that staff asked the applicant on several occasions to present site design options for consideration. She characterized the applicant as not willing to discuss or draft any design alternatives, including moving the building to the corner, or even minor building movements or architectural changes. Therefore, staff reviewed the project as proposed, against the City's adopted regulations.

Planning Commission Minutes  
March 26, 2014  
Page 3

Ms. Matlock then reviewed the fact that the Tracy Municipal Code established the required findings for the approval of a Development Review application and those two findings indicate that the project cannot be approved as proposed. One stated that the benefit of occupancy of other property in the vicinity is impaired. She elaborated by saying that as proposed, the existing residences adjacent to the project site will be negatively impacted in the areas of light, noise, and privacy due to the close proximity of the building to the residences. The building is proposed to be approximately 30 feet from the rear yards of these homes.

She then reviewed the second finding which stated that unsightliness which, if permitted to exist, causes a decrease in the value of surrounding properties adding that the project proposes two large parking lots, both of which will be readily visible from the streets, the residences, and the businesses in the vicinity.

As proposed, the site design also does not meet a number of policies established in the General Plan and in the Design Goals and Standards relating to siting buildings to hold corners, preservation, enhancement, and conservation of older neighborhoods and existing residential neighborhoods; sensitivity of new development to surrounding historical contexts; maximizing traffic safety; minimizing the impact of parking on the pedestrian environment by de-emphasizing them behind buildings and maintaining mature landscape areas.

Ms. Matlock stated that while the building is well-designed, staff would have liked to have seen the building incorporate design elements complementing the architectural character of the residential neighborhood, adding that most of the medical office buildings in the area were either converted from houses or built new with residential design elements incorporated into the façade. The proposed building could also incorporate design elements from the hospital building to create a cohesive medical campus architecturally. She commented that staff would have liked to have seen alternative design proposals that more closely complied with these policies, particularly the location of the building. A two-story office building located just roughly 30 feet from the property line can present negative impacts to the adjacent homes, including noise, light, and privacy issues. Ms. Matlock reviewed several slides of existing medical offices as examples of location, streetscape experience.

Ms. Matlock made note of the fact that during application review, neighbors contacted staff with concerns relating to the building location and anticipated light and noise impacts. The City received a petition signed by residents in opposition to the project as designed and highlighted three desired project modifications, including locating the building at the corner, preserving the largest oak tree and incorporating it into the site design, and relocating typically noisy appurtenances further from the residences. She then commented that the applicant held two neighborhood meetings under the advice of staff, of which staff was not notified. According to an article in the Tracy Press, primary concerns raised by the neighbors included noise, traffic and parking, lack of privacy, and preservation of established trees. These concerns mirror the concerns outlined in the September 3<sup>rd</sup> petition.

She concluded by stating that while staff was in full support of Sutter's expansion of services to Tracy and was not opposed to the establishment of a new facility near the hospital, staff did recommend that the Planning Commission deny the project as proposed based on its inconsistency with City policies and asked that the applicant submit a revised application more closely meeting City policies.

Mr. Dean added comments stating that staff also felt that the applicant could better further City policies if it were to be redesigned. He then read specifics of the General Plan to clarify the fact that although the proposal met requirements there were areas that could better support City policies.

He read the following statement from the General Plan: "A land development project or City action is considered to be consistent with this General Plan if it furthers the plans objectives and policies and does not obstruct from their attainment. Because objectives and policies in this General Plan reflect a range of competing interests, they must be balanced when applied to a specific land development project or City action."

He concluded by saying that staff was not suggesting that this project was inconsistent with General Plan policies, but that it could be better furthered with staff's recommendations.

Chair Sangha asked for the applicant to present at 7:48 p.m.

Dave Romano, of Newman-Romano, introduced himself and provided his credentials. He began by reviewing who would be presenting and provided background related to their presentation.

He led off a PowerPoint presentation by indicating the mission of Sutter Gould along with statistics about the organization adding that Consumer Reports rated them Number One among Valley healthcare providers. He said the reason for the expansion in Tracy was in preparation for the impact of the Affordable Health Care Act.

He then introduced Dr. Paul de Chant, CEO of Sutter Gould Medical Foundation, who provided his credentials. He spoke to the fact that he felt the project was in preparation for the future of healthcare. He explained the campus allowed for more integrated healthcare. He reviewed the layout of the exam rooms and the concept of the POD module. He indicated that with the future demands, Sutter wants to preserve the physician patient relationship; adding that there are no private physician offices which fosters teamwork. He then reviewed the floor plans and indicated the purpose of the layout would be to accommodate the patient. He reviewed that many of the necessary services would require immediate additional testing. He indicated that the design of the building was to open and face the rest of the healthcare campus with the hospital. Moving it would defeat that purpose and be detrimental to the patients.

Jacob Beury Project Manager for LDA Partners architecture firm next addressed the Commission adding that LDA Partners had a great deal of experience with healthcare, Sutter Kaiser, etc. Indicates they strove to find the best alternatives. He reviewed the existing site advising that the present building was dated and inefficient. He indicated that the proposed building would be two stories as opposed to the existing three story building to be sensitive to the neighborhood.

He discussed the location of the building would act as a buffer to the neighboring residences indicating that all of the activity would likely occur in the parking lot. He advised that Sutter staff would have a separate parking lot across the street at Eaton Avenue, the busy side facing Eaton and the quiet side faces the residences. Because the site is in MO zone adding that it is an approved use.

Mr. Beury then spoke to the architectural character of the project. He reviewed the landscape and size of building. He indicated they looked at both the residences and other commercial buildings in Tracy in preparing this project and because it was a commercial building they detailed it accordingly with low maintenance high performing materials. He indicated that the building along Eaton had a setback similar to the residences. They purposely provided a series of buffers including a wall, trees and an access drive with the second layer of landscaping in response to neighbors' concerns. The majority of the windows will be "obscure glass" and said the area facing neighboring home would be a pass through space and that no one would be sitting looking out the windows into the neighboring yards.

He added that the proposed building had more street presence than the existing building and that they provided space for employees and pedestrians along Eaton. He stated that to address the neighbors' concerns they planned to move it to the corner of Eaton and Bessie.

Mr. Romano addressed the issue of neighborhood outreach and addressed the modifications that were made to address the concerns expressed. He stressed that it would be important to understand that this would be a car oriented building and that there would be activity with patients throughout the day.

He reviewed the three issues brought forward from the petitioning neighbors: that the new building be placed at the corner of Bessie and Eaton to allow for pedestrian access, that the existing large "heritage" oak tree be saved and incorporated into the design as a focal point and that the trash enclosure, ambulance services be placed to minimize the impact to the adjacent neighborhood. He advised that he felt Sutter had accomplished all of those issues with the exception of putting the building directly on the corner of Eaton and Bessie.

Mr. Romano discussed the setback of the building was 35 feet and code requires only 10'. They have met and exceeded code requirements. They responded to the issue of the placement of the dumpster was resolved by Sutter moving further away from the neighborhood. The neighbors had also expressed concern about light and glare, so they increased wall over City standard to 8 feet adding that the lighting would be applied to the wall rather than over the wall. They provided 10% over city standard for parking. He indicated that they were providing pedestrian access to the building from Bessie. He also mentioned that although they have an ambulance, it should be infrequently used and would not normally use lights or sirens, therefore would not be disruptive. He stated that they had consulted an arborist to move the tree which would cost \$150,000. He indicated that the only issue they could not accommodate was to move the building to the corner.

Mr. Romano then proceeded to a review of Sutter's attempts to meet City needs relative to the General Plan and Sustainability Action Plan guidelines. He suggested that the Commissioners were faced with a need to weigh their decision by quoting the General Plan: "Because objectives and policies in this General Plan reflect a range of competing interests, they must be balanced when applied to a specific land development project or City action."

He reviewed two examples of buildings in Tracy one being the Grace Baptist Church and the other being McDonalds indicating neither building met all the standards of the city; arguing that it would appear that the Commissioners have a degree of flexibility in their decision making.

He reviewed staff's concerns that other properties would be impaired. He then asked how a project that is in compliance can be considered to impair the area. He felt that they not only had

Planning Commission Minutes  
March 26, 2014  
Page 6

met the standards, they exceeded them. He felt that the Commissioners needed to realize they are to be in support of standards. He addressed community character elements of the project by quoting the Tracy General Plan ““It is frequently not possible to incorporate all principles into every development.”

He spoke to the economic development requirements of the City. He indicated that as a healthcare facility. Less restricted heights. He quoted the GP that it is frequently not possible to meet all requirements. Feels it is a high quality project.

He summarized by stating that Sutter was in support of the City’s Sustainability Action Plan by proving an infill project, that their facility would be in close proximity to the existing hospital, that they are in support of economic development by providing high-wage healthcare jobs, that Sutter is a community enhancing organization, the facility would be an ideal configuration to deliver important healthcare services to the community, that the project was consistent with prior application of policies and that the Commission would need to balance policies in making their decision.

Commissioner Johnson asked about the tree which Mr. Romano had indicated was a good candidate for transfer. Mr. Romano indicated that the arborist indicated that the tree had a very high likelihood of success adding that anytime you touch a tree there is a problem. Commissioner Johnson asked if there is a contingency. Mr. Romano indicated they did not have one.

Commissioner Johnson asked about the parking lot. Mr. Romano said it would have all the street trees and the parking lot would meet all standards. Commissioner Johnson asked about the use of the parking lot is surrounding the property on 3 sides and if it was a 24 hour facility. Mr. Romano advised that the facility would likely be open from 6:00 a.m. to 8:00 p.m.

Commissioner Orcutt asked what capacity the building was designed for in terms of longevity. Dr. de Chant reviewed the volume. Commissioner Orcutt asked if expansion would be required in 15 – 40 years. Dr. de Chant indicated that Sutter would extend hours as they grow. Adding that in order to keep the cost of healthcare down they would use the facility more – not expand the facility.

Commissioner Orcutt asked if they foresaw more synergy between the hospital and the facility, specifically asking about pedestrian traffic. Dr. de Chant indicated that the hospital facilities could be used which would help keep the costs down. He added that largely it would be the physicians who go back and forth not the patients.

Commissioner Ransom asked if we were comparing apples to apples by comparing Stockton’s facility to Tracy; asking if the Stockton facility was in close proximity to commercial or residential. Dr. de Chant indicated the Stockton facility was in a commercial with some residential, but it largely it is commercial.

Commissioner Ransom then asked about Sutter’s long range goals. Dr. de Chant indicated they were very committed to the Central Valley adding that integration with the hospital is critical.

Commissioner Ransom then reviewed the fact that Sutter indicated there may be a need to expand hours. Dr. de Chant indicated that early hours are more important to the consumers.

He indicated they would expand hours at night if required adding that patients would use the front parking not to the side which would cause the building to buffer any noise.

Commissioner Ransom then asked about entrances asking if there was any reason not to have entrances on both sides of the building. Dr. de Chant reviewed the design of the building advising that there is no reason to have entrances on both sides. He indicated that would lose a great deal of the efficiency.

Commissioner Ransom commented on moving the building to the corner, she then asked staff about the typical properties in the MO zone. Mr. Dean responded that the Medical Office zone would normally be medical offices, but that there are some situations wherein a residence is located in the zone and is therefore non-conforming.

Commissioner Ransom then asked if we had anything similar to this situation in the City that we could draw experience from. Mr. Dean advised of a building that was 80 feet away from residences located to the south. Mr. Dean indicated that it was a mischaracterization to have said that this building met all the standards. He added that standards were applied through a permit and that the permit was discretionary. A discretionary permit would require that, at a minimum, the project meet the standards. He added that in this case, the permit was the process to evaluate how the building could be located to “best further” city policies.

Dr. de Chant commented that if the location of building were moved, it would make it difficult to provide handicap access.

Chair Sangha advised she was talking for the residents as well as asking the about the oak tree. She then asked what happened to the possibility of Sutter moving to the Gateway site. Dave Thompson, CEO of Sutter Tracy, responded that although Sutter still owned land at the Lammers Road location they made a decision to not relocate. He reviewed the fact that inpatient care was declining compared to outpatient care thus making expansion less important.

Commissioner Ransom asked if there had been any analysis done by Sutter as to who will use the Tracy facility rather than the county facility now that the affordable care act was in place. Mr. Thompson indicated he did not know, but suggested there would be an increase.

Commissioner Orcutt asked about the reason staff was requesting that the building be positioned closer to Bessie and Eaton Avenues. Mr. Dean responded that most of the buildings in the area had been built some time ago. He then reviewed the General Plan policies which indicated this placement; these recommendations came from community input. In this particular case that it was about the adjacent neighbors and is there a way to provide an additional buffer. He also stated that we as a city were trying to balance neighborhood input.

Commissioner Orcutt asked about additional architectural aspects that the city was looking for. Mr. Dean indicated that was for the commission to decide. He suggested that it was more modern building. Perhaps a different architectural approach would be helpful, but that is was up to the Commission to decide.

Chair Sangha opened the public hearing at 9:00 p.m.

Audience member Kyle Miller, a neighbor who lives four houses down from proposed site indicated that Dr. de Chant stated that the requests to move the building “just doesn’t work” for

Planning Commission Minutes  
March 26, 2014  
Page 8

them. He expressed concern about traffic with two schools and two or three churches in the area. He then asked what the construction time frame would be. He added that he did not want parking lot across the street. He commented that if Sutter were to extend office hours because of patient load that would increase the hours of noise and traffic.

Dave Lester a resident of Wall Street discussed his experience with the medical plaza behind his house. He indicated that now there were no shade trees, that the lighting at night was disruptive, that the facility behind his home was only one third to one half occupied and that the building in question was only 50% occupied. He expressed concern that the project would result in fewer trees; that shade trees were an important part an older neighborhood.

Mary Mitracos, 363 and 407 Eaton Avenue, presented the commissioners with a diagram giving locations of houses and where the 8' wall would be located, adding that would be the view they would have of the proposed building. She suggested the height of the building will be troublesome. She spoke to the decrease in the value of surrounding properties and that as a member of the concerned neighbors she wished to see the building changed and not move the oak tree. She indicated that economic development did not trump maintaining the integrity of the neighborhood. She indicated she wanted Sutter to fit the neighborhood.

Don Bisbee of 1361 Wall Street addressed the Commissioners advising they did not want a wall in their backyard.

Jim Noah 1338 Wall Street has lived at that location since 1961. He felt the neighborhood is an older neighborhood and many of the neighbors have lived there a long time. He suggested the building may belong in a different area. He felt the parking was not sufficient; the impact of parking causes the area to be very congested with traffic from the schools and church. He expressed concern about what would happen in the future if Sutter expanded their hours.

Jane Devlin of 1237 Wall Street spoke on behalf of the neighbors in relation to their property values. She commented about a neighbor who purchased her home right before the market crashed. She expressed concern about the wall being unsightly and blocking the neighborhood views.

Zena Robbins of the 500 block of Carlton spoke indicating that she did not dispute what Sutter can do. It was about the neighborhood. She spoke to the influx of traffic. When Beverly was closed it produced a great deal of traffic down West Carlton Way. She noted that a traffic survey appeared to have been underway, but now it appeared to have been discontinued. She said the traffic in the area is difficult to handle. She concluded by saying not to make this about money and destroy an older, well established neighborhood.

Bob Tanner of 1371 Rusher Street said he had been going to the existing Eaton Medical Center for about 25 years and felt it should remain, but that it should be moved closer to the street. He commented about the parking in back indicating he had not heard of any security issues.

Arlene Robbins of the 500 block of Carlton Way advised that the traffic has gotten worse especially since Beverly closed; that at times she can't get out of her driveway. She felt the building doesn't fit in the area. She also added that she felt there wasn't any security, drug deals take place in the parking lot and robberies that aren't reported. She suggested the oak tree wouldn't live if transplanted.

Planning Commission Minutes  
March 26, 2014  
Page 9

Chair Sangha closed public hearing at 9:37 p.m. and called for a recess.

Chair Sangha re-opened the meeting and requested any comments from the Commission at 9:44 p.m.

Commissioner Ransom asked that some of the questions asked by the public be answered by staff.

Mr. Mina addressed the issue of the traffic analysis, stating that it had been suspended due to the issues being discussed as to the location of the building. He stated the city would address traffic circulation once the building location was determined.

Commissioner Orcutt asked about the length of construction and wanted the applicant to respond.

Mr. Sartor advised that the chair would need to re-open the public hearing for the applicant to speak.

Chair Sangha re-opened the public hearing at 9:50 p.m.

Mr. Romano advised construction would take approximately 18 months.

Commissioner Ransom asked if the style of the building was cookie cutter style that the applicant might have to use the same style everywhere. Mr. Beury advised that this building had been built for this specific site. Commissioner Ransom suggested they might have flexibility as a result.

Commissioner Ransom asked about daily garbage pick-ups at this site. Mr. Romano not sure what the pickup time would be. Mary Mitracos advised that the pick-up is between 4:00 and 5:00 a.m.

Commissioner Ransom asked about the parking lot which will be built around an existing residence and wonder if it was occupied by a renter. Ms. Matlock indicated that it was occupied. Mr. Romano advised that Sutter was presently in discussions with the owner about acquiring the building. Commissioner Ransom asked if the parking lot was essential to the building. Mr. Romano advised that it was.

Chair Sangha closed the public hearing 9:55 p.m.

Commissioner Ransom spoke about the fact that this decision was a dilemma for the Commission. She stated that the hospital expressed concerns for patient care and building access to accommodate health care needs, adding that no one could deny the contributions Sutter makes to the community or the need for the hospital. She felt the economic boost was important as well and that staff took that into account. She felt the real question was whether or not this was a good location for this project. She indicates she wouldn't be in opposition to the project except for the fact that it would have an impact on the neighborhood.

Commissioner Ransom felt that there had been an opportunity that had not been taken advantage of. She asked if there were any other options with the design; could the applicant be flexible and work with staff to get a project that would better fit the area. She added that she

Planning Commission Minutes  
March 26, 2014  
Page 10

hadn't heard the neighbors saying they did not want Sutter. She said the Planning Commission has to work according to General Plan, but most projects have to be reviewed on a case by case basis. She said she thought it was a great project and wished there was more time spent with staff. Commissioner Ransom supported staff's recommendation.

Commissioner Johnson agreed with Commissioner Ransom. He indicated he heard the public's concerns and that he was there to represent them. He was disconcerted that the applicant chose not to involve staff in the neighborhood meetings. He appreciated Mr. Malik passing this along to the Commission. Good project, scale doesn't fit, design doesn't fit, the location doesn't fit, and the traffic doesn't fit.

Commissioner Orcutt was very impressed with the community turn out. He felt that Sutter's presentation was very well done which helped him understand the project. He added that having heard comments from all three parties he suggested that we were close to a solution, but that there are a few more things that needed to be looked at and amended. He would expect to see the project come back in the future.

Chair Sangha thanked the community members for attending that it was a good project but it is not the right project for the location. She requested a motion.

Commissioner Ransom moved that the Planning Commission deny the project as proposed based on the findings contained in the Planning Commission Resolution dated March 26, 2014 relating to inconsistency with the General Plan development policies and the Design Goals and Standards for architecture and design. Commissioner Johnson Seconded all in favor, none opposed with one abstention.

RESOLUTION 2014-\_\_\_\_\_

DENYING AN APPEAL OF THE PLANNING COMMISSION DENIAL OF DEVELOPMENT REVIEW APPLICATION NUMBER D14-0003 FOR A 45,000 SQUARE FOOT MEDICAL OFFICE BUILDING LOCATED AT 445 WEST EATON AVENUE AND A PARKING LOT AT 418, 424, 432, AND 434 WEST EATON AVENUE. APPLICANT IS DAVID O. ROMANO AND PROPERTY OWNER IS SUTTER GOULD MEDICAL FOUNDATION, APPLICATION NUMBER APL14-0001

WHEREAS, The Sutter Gould Medical Foundation (Sutter) submitted a Development Review application for a new two-story, 45,000 square foot medical office building and associated parking areas, and

WHEREAS, Pursuant to Tracy Municipal Code Section 10.08.4020, the Planning Commission has authority to review and act on such applications, and

WHEREAS, The project site is designated Office in the General Plan and zoned Medical Office (MO), in which Medical Offices are a permitted use, and

WHEREAS, The project site is adjacent to existing residences and the Medium Density Residential zone, and

WHEREAS, The General Plan establishes the goals, objectives, policies, and actions for development in the City, and

WHEREAS, The Design Goals and Standards establish specific design criteria for achieving high quality architecture, site planning, and landscaping throughout the City, and

WHEREAS, The project is exempt from CEQA pursuant to Guidelines Section 15270, projects which are disapproved. This exemption pertains to projects which a public agency rejects or disapproves, and

WHEREAS, The Planning Commission reviewed and considered the project at a public hearing on March 26, 2014, and denied the project, and

WHEREAS, On April 9, 2014, David O. Romano filed an appeal with the City Clerk and on April 11, 2014, requested the appeal be discussed by the City Council at the regularly scheduled May 20, 2014, public hearing;

NOW, THEREFORE BE IT RESOLVED, That the City Council does hereby deny application number D14-0003, based on the findings below:

- 1) The benefits of occupancy of other property in the vicinity is impaired. The existing residences adjacent to the project site will be negatively impacted in the areas of light, noise, and privacy due to the close proximity of the building to the residences.
- 2) Unsightliness which, if permitted to exist, causes a decrease in the value of surrounding properties. The project proposes a building that does not architecturally complement the craftsman and bungalow character of the existing neighborhood, and it proposes two large parking areas which will both be readily visible from public view.
- 3) The project could be revised to better further the goals, actions, and policies of the General Plan and Design Goals and Standards. As designed, the building does not

complement the existing buildings in the vicinity, is insensitive to the surrounding historical contexts, does not enhance the character of existing residential neighborhoods, does not employ consistency with the architecture in the surrounding areas, does not minimize the impact of parking areas on the pedestrian environment, and does not preserve or maintain mature landscape areas.

\* \* \* \* \*

The foregoing Resolution 2014-\_\_\_\_\_ was adopted by the Tracy City Council on the 20<sup>th</sup> day of May, 2014, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

AGENDA ITEM 5

REQUEST

DI 6 @7 <95F-B; 'HC' BHFC8I 79 '5B' CF8 -B5B79 '5A9B8-B; 'H<9'  
89J9 @CDA9BH'5; F99A9BH'K #K 'GI F @B8 '7CAAI B-H9Gz '@7 'F9 @H98 'HC'  
H<9'9 @@G'DFC>97H''H<9'9 @@G'DFC>97H'5B8 '89J9 @CDA9BH'5; F99A9BH'  
G-H9 'G'5DDFCL-A5H9 @M' &%57F9G' @75H98 '5H'K<9 'BCFH<K 9GH'7CFB9F '  
C: '7CFF5 @<C @CK 'FC58 '5B8 '@BB9 'FC58 ''5DD@7 5H-CB'85 %!\$\$\$&  
5DD@7 5BH'-G'H<9'GI F @B8 '7CAAI B-H9G' @7'

EXECUTIVE SUMMARY

This agenda item involves a public hearing to introduce an ordinance amending the Development Agreement with Surland Communities, LLC. The Surland Communities have requested additional time to pay the City a portion of the public benefit payment related to a potential swim center identified in the Development Agreement (DA). In exchange for such additional time, the City would receive additional time to accept a land dedication offer.

DISCUSSION

This agenda item involves a public hearing to consider the Surland Communities application for a Development Agreement (DA) amendment. The DA amendment was requested by Surland Communities in July, 2013, (Attachment A) and direction to negotiate was received by City Council on September 17, 2013. Since that time, City staff has evaluated the DA amendment request and received further direction from City Council on March 18, 2014.

The DA, approved in 2013, provides in relevant part that, not later than the annexation effective date (September 15, 2013), Surland shall deposit into a swim center funds account \$2,000,000 for use by the City in the development, construction, operation and maintenance of a swim center. The DA amendment would extend the time to make this initial deposit to September 15, 2014.

The DA also requires Surland to offer to dedicate to the City approximately 16 acres of land for the location of a potential swim center. Surland has submitted to the City a proposed draft dedication offer. Under the DA, the City has until July 17, 2014, to accept the dedication offer. The proposed DA amendment would extend the time for the City to accept the offer by one year.

Collectively, the proposed DA amendment would provide additional time for Surland to make the initial \$2 million payment, and provide the City additional time to accept the land dedication offer.

### Planning Commission Review

The Planning Commission conducted a public hearing on April 23, 2014, and recommended approval of the DA amendment. The draft minutes from the Planning Commission hearing are attached (Attachment B).

### Environmental Review

The Ellis project, including the DA was the subject of a recently certified Environmental Impact Report (EIR), SCH # 2012022023). The project is exempt from the California Environmental Quality Act per Section 15162 pertaining to projects with a certified Environmental Impact Report (EIR) where the project does not propose substantial changes that will result in a major revision of the previous EIR. On January 22, 2013, the City of Tracy certified the Modified Ellis Project Draft Environmental Impact Report. The project does not propose new significant changes to the environment that were not analyzed in the EIR, including the areas of traffic, air quality, and aesthetics. The DA amendment only addresses date changes related to public benefits. Therefore, no further documentation is needed.

### 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 fiscal impact to the General Fund associated with this agenda item. Surland Communities has entered into a Cost Recovery Agreement with the City to cover all staff and consultant costs.

### RECOMMENDATION

Staff recommends that the City Council introduce an ordinance amending the Development Agreement with Surland Communities, LLC, application number DA13-0002.

Prepared by: Bill Dean, Assistant Development Services Department Director

Reviewed by: Andrew Malik, Director of Development Services Department  
Gary Hampton, Interim Assistant City Manager

Approved by: Maria A. Hurtado, Interim City Manager

### ATTACHMENTS:

Attachment A: Surland Communities, LLC request for a DA Amendment  
Attachment B: Draft Planning Commission hearing minutes from April 23, 2014

RECEIVED

SEP 11 2013

CITY OF TRACY

July 16, 2013

William Dean  
City of Tracy  
333 Civic Center Drive  
Tracy, California 95376

RE: Request for First Amendment to Amended and Restated  
Development Agreement; pursuant to Government Code  
section 65868 and section 1.09 of the Development Agreement

Dear Mr. Dean:

With this letter, Surland Communities formally requests that the City of Tracy, approve and adopt amended terms to the Amended and Restated Development Agreement between the City of Tracy and Surland Communities LLC, that was adopted as Ordinance 1182 on March 19, 2013.

The basic terms of the agreement remain intact, including a payment of \$10,000,000 (ten million dollars) to the City, to fund the design, construction, operation and maintenance of a swim center, and a land dedication offer of 16 acres for the Ellis swim center site.

The requested change is to make the initial payment of \$2,000,000 within two years of the annexation effective date.

Thank you in advance for your timely consideration of this request and we look forward to working with the City of Tracy on the development of the Ellis project.

Sincerely,  
SURLAND COMMUNITIES



Les J. Serpa  
President

**MINUTES  
TRACY CITY PLANNING COMMISSION  
WEDNESDAY, APRIL 23, 2014 – 7:00 P.M.  
CITY OF TRACY COUNCIL CHAMBERS  
333 CIVIC CENTER PLAZA**

**CALL TO ORDER** Bill Dean, Assistant Development Services Director, opened the meeting at 7:00 p.m. He advised that, because both the Planning Commission Chair and Vice Chair were not in attendance, the remaining Commissioners should appoint a Chair for this meeting only.

Commissioner Ransom nominated Commissioner Mitracos to chair the meeting. Commissioner Vargas seconded.

**PLEDGE OF ALLEGIANCE** – Commissioner Mitracos led the pledge of allegiance.

**ROLL CALL** – Found Commissioner Mitracos, Commissioner Ransom and Commissioner Vargas, and as noted Chair Sangha and Vice Chair Orcutt were absent. Also present were staff members Bill Dean, Assistant Development Services Director; Victoria Lombardo, Senior Planner; Bill Sartor, Assistant City Attorney; and Janis Couturier, Recording Secretary.

**MINUTES APPROVAL** – There were no minutes.

**DIRECTOR'S REPORT REGARDING THIS AGENDA** – None

**ITEMS FROM THE AUDIENCE** – None

1. **OLD BUSINESS** – None
2. **NEW BUSINESS** –

**PUBLIC HEARING TO CONSIDER PLANNING COMMISSION  
RECOMMENDATION REGARDING THE SURLAND COMMUNITIES LLC  
APPLICATIONS FOR A DEVELOPMENT AGREEMENT AMENDMENT RELATED  
TO THE ELLIS PROJECT. THE ELLIS PROJECT AND DEVELOPMENT  
AGREEMENT SITE IS APPROXIMATELY 321-ACRES LOCATED AT THE  
NORTHWEST CORNER OF CORRAL HOLLOW ROAD AND LINNE ROAD.  
APPLICATION DA13-0002 - APPLICANT IS THE SURLAND COMMUNITIES LLC.**

Commissioner Mitracos presented the agenda item. Mr. Dean presented the report. He stated that last year Surland Communities requested an amendment to their Development Agreement to push out the date for one year for their \$2 million payment for the swim center and that City Council directed staff to negotiate the agreement. In exchange for the delay, the City has asked for a one year extension for the time the City has to accept the land dedication offer for a swim center.

Commissioner Mitracos verified the dates of the extensions with Mr. Dean.

Commissioner Ransom asked if this recommendation would be a win/win for City and Surland Communities. She wanted to be sure she understood it properly. Mr. Dean advised she was correct.

Commissioner Mitracos opened the public hearing at 8:25 p.m. Chris Long, of Ellis Project, addressed the Commission and indicated that they supported staff's recommendation.

Commissioner Mitracos closed at 8:26

Commissioner Ransom indicated she did not have any questions. She moved that the Planning Commission recommend that City Council approve a Development Agreement Amendment with Surland Communities, LLC, Application Number DA13-0002. Commissioner Vargas seconded, all in favor. None opposed.

DRAFT

ORDINANCE \_\_\_\_\_

AN ORDINANCE OF THE CITY OF TRACY APPROVING FIRST AMENDMENT TO  
AMENDED AND RESTATED DEVELOPMENT AGREEMENT WITH  
THE SURLAND COMMUNITIES, LLC APPLICATION DA11-0002

WHEREAS, on April 18, 2013, the City and Surland Communities, LLC (“Surland”) entered into an Amended and Restated Development Agreement (“Development Agreement”); and

WHEREAS, the Development Agreement provides for the offer to dedicate by Surland of sixteen (16) acres of land and the contribution of \$10,000,000 (the “Owner’s Swim Center Contribution”) towards the cost of construction of the swim center for the benefit of the greater Tracy community. The Owner’s Swim Center Contribution is to be made in two installments. The First Payment of \$2,000,000 was due September 15, 2013 (60 days after the Annexation Effective Date) and the Second Payment of \$8,000,000 will be due July 17, 2016 (3 years after the Annexation Effective Date). The offer of dedication shall be made by Owner to the City within thirty (30) days after the Annexation Effective Date, as defined in the Development Agreement. The parties have calculated the Annexation Effective Date to be July 17, 2013, and the date for the offer of dedication to be August 16, 2013; and

WHEREAS, the parties wish to modify and amend the Development Agreement to extend the date for payment of the Owners’ First Swim Center Payment of \$2,000,000 to no later than September 15, 2014, and to extend the time in which the City may accept the Land Dedication Offer to September 15, 2015; and

WHEREAS, on April 23, 2014, the Planning Commission, following a duly noticed public hearing and following appropriate notice, recommended approval of the First Amendment to the Development Agreement (“First Amendment”) to the City Council.

The City Council of the City of Tracy does ordain as follows:

1. Recitals. The foregoing recitals are true and correct and are incorporated herein as findings.

2. Compliance with CEQA. On January 22, 2013, the City of Tracy certified the Modified Ellis Project Draft Environmental Impact Report (EIR) (SCH # 2012022023) for the Ellis project, including the Development Agreement. City staff has evaluated the proposed First Amendment to the Development Agreement (“First Amendment”) and determined that it does not propose new significant changes to the environment that were not analyzed in the EIR, and would not require major revisions to the EIR. Therefore, under Section 15162 of the California Environmental Quality Act (“CEQA”) implementing regulations (the “CEQA Guidelines”), no subsequent or supplemental environmental review is required for the proposed First Amendment. In addition, City staff has determined that the proposed First Amendment is exempt from further CEQA review under Section 15061(b)(3) of the CEQA Guidelines, because it can be seen with certainty that there is no possibility that the proposed First Amendment may have a significant effect on the environment. Therefore, no further documentation is needed.

3. Findings regarding Development Agreement. The City Council finds that the proposed First Amendment:

a. is consistent with the objectives, policies, general land uses and programs specified in the City General Plan and any applicable community and specific plan;

b. is in conformity with public convenience, general welfare, and good land use practices;

c. will not be detrimental to the health, safety, and general welfare of persons residing in the immediate area, nor be detrimental or injurious to property or persons in the general neighborhood or to the general welfare of the residents of the City as a whole;

d. will not adversely affect the orderly development of property or the preservation of property values; and

e. is consistent with the provisions of Government Code Sections 65864 *et seq.*

4. First Amendment Approval. The City Council approves the First Amendment attached hereto as Exhibit "1".

5. Effective Date. This Ordinance takes effect 30 days after its final passage and adoption.

6. Publication. This Ordinance shall be published once in the Tri-Valley Herald, a newspaper of general circulation, within fifteen days from and after its final passage and adoption.

\* \* \* \* \*

The foregoing Ordinance \_\_\_\_\_ was introduced at a regular meeting of the Tracy City Council on the \_\_\_ day of \_\_\_\_\_, 2014, and finally adopted on the \_\_\_\_\_ day of \_\_\_\_\_, 2014, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

May 20, 2014

## AGENDA ITEM 6

### REQUEST

**PUBLIC HEARING TO CONSIDER AN AMENDMENT TO THE 2770 NORTH NAGLEE ROAD PRELIMINARY AND FINAL DEVELOPMENT PLAN TO REMOVE THE EXISTING RESTAURANT BUILDING AND REPLACE IT WITH A 5,671 SQUARE FOOT RESTAURANT WHILE RETAINING THE PARKING AND LANDSCAPE IMPROVEMENTS - APPLICANT IS RED ROBIN GOURMET INTERNATIONAL AND OWNER IS TRACY MALL PARTNERS, LP**

### EXECUTIVE SUMMARY

This agenda item, if approved, would result in the demolition of the existing Chevy's restaurant structure at 2770 North Naglee Road and the construction of a new 5,671 square foot Red Robin Restaurant. The parking lot and landscape improvements will remain on the site.

### DISCUSSION

On May 2, 2000, the City Council approved a Preliminary and Final Development Plan (PDP/FDP) for the Chevy's restaurant, which was described as a 7,700 square foot restaurant with outdoor dining, a full service bar, and associated parking and landscape improvements within the I-205 Specific Plan at 2770 North Naglee Road (Attachment A). The building was constructed and operated as a Chevy's restaurant until several years ago, and is currently vacant.

Restaurants are a permitted use within the Commercial Center land use designation assigned to the property by the I-205 Specific Plan. The proposed replacement of the building requires an amendment to the PDP and FDP because the architecture and size of the building are completely different than those in the original project approval. The proposed amendment to the approved PDP/FDP is shown in Attachments B and C.

#### Architecture

The proposed building is 5,671 square feet, which includes 136 seats in the dining area, 70 and seats in the bar area. The proposed building consists mainly of stucco and a stone wainscot material, with accents at the entry comprised of glazed red tile and clear anodized aluminum trim (Attachment C). The building uses a parapet roofline with varying colors, heights and materials to provide visual interest along all four sides of the building. The renderings show that the parapets will be tall enough to screen all of the roof-mounted equipment from public view as required.

The trash enclosure, which is attached to the east side of the building, will be comprised of materials and colors matching those of the building, with solid doors to block the view of the trash bins beyond.

#### Parking, Circulation and Landscaping

Based on the parking requirements within the I-205 Specific Plan, the existing parking lot, planned to remain unchanged will be more than sufficient for the size and land use of the proposed new building. There are 109 parking spaces, and the proposed building requires 91. The landscaping on the site will also remain, which allows the project to begin with the benefit of mature landscaping.

#### Environmental Document

The proposed PDP/FDP amendment is categorically exempt from the California Environmental Quality Act pursuant to CEQA Guidelines Section 15332, pertaining to infill projects smaller than five acres in size substantially surrounded by urban uses. In accordance with CEQA Guidelines, no further environmental assessment is required.

#### Planning Commission Discussion

The Planning Commission met and discussed this project on April 23, 2014, and recommended that benches for overflow waiting area be placed adjacent to the building entry on the west side of the project site. The Red Robin representative agreed that this additional waiting area would be a great idea and could be easily accommodated into their proposed site plan, along with the appropriate lighting and shade trees.

### STRATEGIC PLAN

This agenda item supports the Economic Development Strategic Plan, related to retail recruitment. The approval of the project will allow a new business to establish in Tracy and provide a desirable service to local consumers. In fact, Red Robin was the number eight requested business in the City's recent retail survey.

### FISCAL IMPACT

This agenda item will not require any expenditure of funds. The staff time spent processing the application was funded by the receipt of the required application processing fees.

### RECOMMENDATION

Staff and the Planning Commission recommend that City Council, by resolution, approve an amendment to the 2770 North Naglee Road Preliminary and Final Development Plan to remove the existing restaurant building and replace it with a

5,671 square foot restaurant while retaining the parking and landscape improvements.

Prepared by: Victoria Lombardo, Senior Planner

Reviewed by: Bill Dean, Assistant Development Services Director  
Andrew Malik, Development Services Director  
Gary Hampton, Interim Assistant City Manager

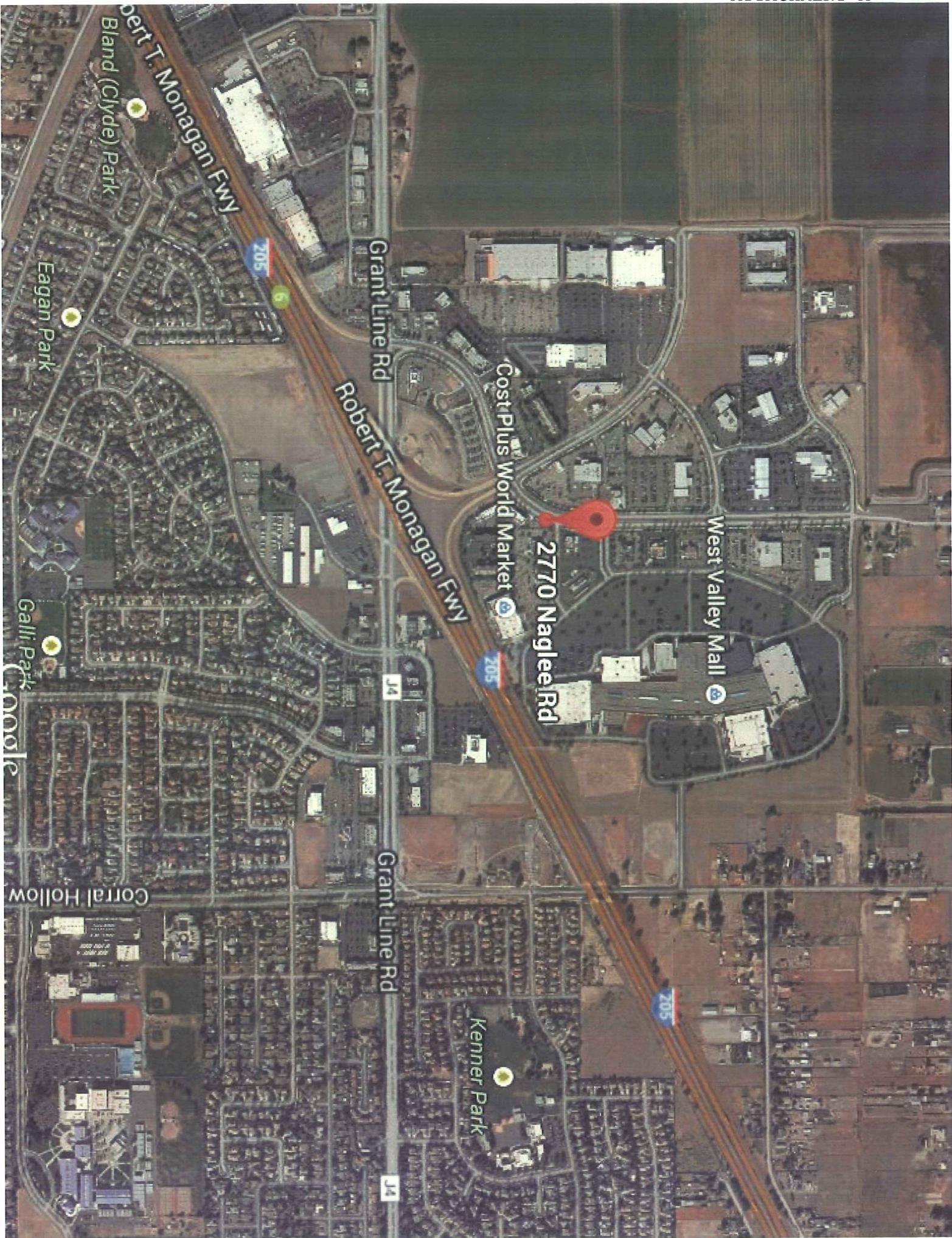
Approved by: Maria A. Hurtado, Interim City Manager

ATTACHMENTS

Attachment A: Location Map

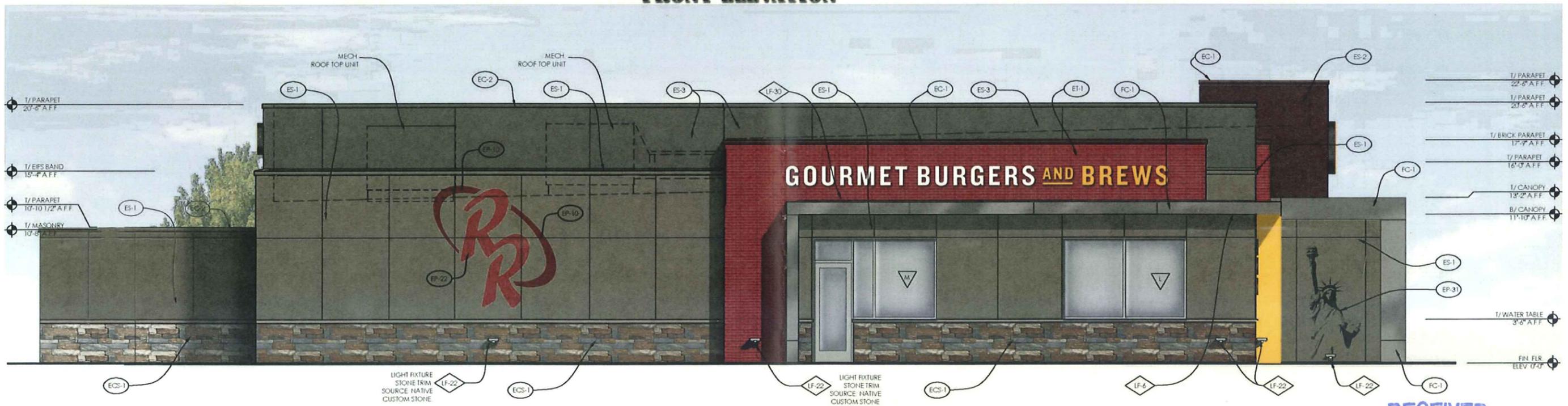
Attachment B: Site Plan (Oversize Item: Copies available in the Development Services Department at City Hall)

Attachment C: Color Rendering

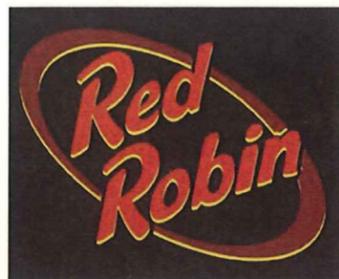




**FRONT ELEVATION**



**LEFT ELEVATION**

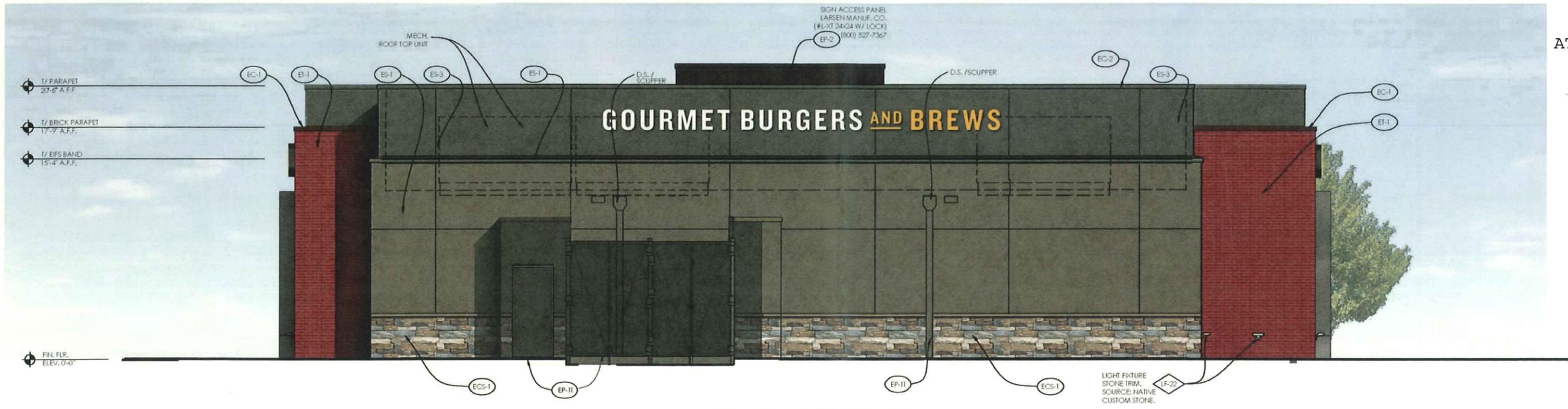


**TRACY, CA**  
**Elev: 3A**  
**04/14/2014**

**RECEIVED**  
**APR 17 2014**

**CITY OF TRACY**

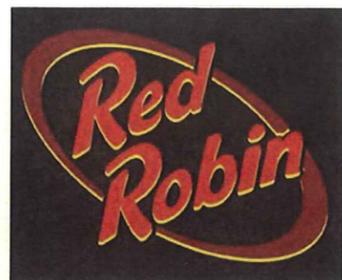
**CD** **ChipmanDesign**  
 Architecture Inc.  
 2700 S. River Road, Suite 400  
 Des Plaines, Illinois 60018  
 T 847.298.6900 F 847.298.6966



REAR ELEVATION



RIGHT ELEVATION



TRACY, CA  
 Elev: 3B  
 04/14/2014

**CD** ChipmanDesign  
 Architecture Inc.  
 2700 S. River Road, Suite 400  
 Des Plaines, Illinois 60018  
 T 847.298.6900 F 847.298.6966

ES-1: E.I.F.S. - SANDBLAST FINISH - INTEGRAL FINISH COAT COLOR TO MATCH SHERWIN WILLIAMS #SW7032 WARM STONE

ES-2: E.I.F.S. - LIMESTONE TEXTURE - INTEGRAL FINISH COAT COLOR TO MATCH BENJAMIN MOORE CLASSIC BURGUNDY

ES-3: E.I.F.S. - SANDBLAST FINISH - INTEGRAL FINISH COAT COLOR TO MATCH SHERWIN WILLIAMS #SW7047 PORPOISE

FC-1: 20 GA. CLEAR ANODIZED ALUMINUM - BREAK METAL FINISH ( COLOR TO MATCH STOREFRONT FRAMING FINISH )

FC-2: 20 GA. CLEAR ANODIZED ALUMINUM - BREAK METAL FINISH  
(COLOR TO MATCH SHERWIN WILLIAMS #SW6905 GOLDFINCH)

EP-11: EXTERIOR PAINT FINISH - SHERWIN WILLIAMS #SW7032 WARM STONE

EP-10: EXTERIOR PAINT FINISH - SHERWIN WILLIAMS #SW2914 VERMILLION

EP-22: EXTERIOR PAINT FINISH - SHERWIN WILLIAMS #SW6866 HEARTTHROB

EP-31: EXTERIOR PAINT FINISH - STENCIL - SHERWIN WILLIAMS #SW6991 BLACK MAGIC

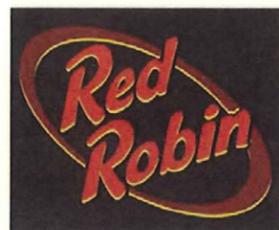
ET-1: EXTERIOR GLAZED TILE BRICK - ELGIN BUTLER: #8800 CLASSIC RED

ECS-1: NATIVE CUSTOM STONE #17 CEDAR CREEK

ESF: ALUMINUM STOREFRONT SYSTEM, 2" x 4 1/2" - FINISH: CLEAR ANODIZED ALUMINUM

EC-1: PARAPET WALL COPING - BERRIDGE - STANDARD COLOR - BENJAMIN MOORE CLASSIC BURGUNDY

EC-2: PARAPET EDGE FASCIA - BERRIDGE - STANDARD COLOR - SHERWIN WILLIAMS #SW7047 PORPOISE



**TRACY, CA**  
**EXTERIOR FINISHES - 2**  
**04/14/2014**



RESOLUTION 2014-\_\_\_\_\_

APPROVING AN AMENDMENT TO THE 2770 NORTH NAGLEE ROAD PRELIMINARY AND FINAL DEVELOPMENT PLAN TO REMOVE THE EXISTING RESTAURANT BUILDING AND REPLACE IT WITH A 5,671 SQUARE FOOT RESTAURANT WHILE RETAINING THE PARKING AND LANDSCAPE IMPROVEMENTS - ASSESSOR'S PARCEL NUMBER 212-050-60 APPLICATION NUMBER D14-0006

WHEREAS, The City Council adopted the I-205 Corridor Specific Plan and certified its Environmental Impact Report on August 21, 1990, and approved a subsequent Negative Declaration approved on July 6, 1999, and

WHEREAS, Red Robin Gourmet International, on behalf of Tracy Mall Partners, L.P., submitted an application to amend the 2770 North Naglee Road Preliminary and Final Development Plan to remove the existing restaurant building and replace it with a 5,671 square foot restaurant while retaining the parking and landscape improvements (Application Number D14-0006) on February 19, 2014, and

WHEREAS, The subject property is located within the I-205 Corridor Specific Plan area, with a land use designation of Commercial Center, which allows restaurants as a permitted land use, and

WHEREAS, The Planning Commission conducted a public hearing to review and consider the application on April 23, 2014 and recommended City Council approval;

NOW, THEREFORE BE IT RESOLVED, City Council approve an amendment to the 2770 North Naglee Road Preliminary and Final Development Plan to remove the existing restaurant building and replace it with a 5,671 square foot restaurant while retaining the parking and landscape improvements, Application Number D14-0006, subject to the conditions contained in Exhibit 1 to this Resolution, and based on the findings below.

1. The establishment, maintenance, and operation of the proposed restaurant and associated landscape and hardscape improvements are compatible with the land use, design, and operational characteristics of the neighboring properties. It will not, under the circumstances of the particular case or as conditioned, be injurious or detrimental to the health, safety, or general welfare of persons or property in the vicinity of the proposed use and its associated structures, or to the general welfare of the City because the project is consistent with the land use, design, and other elements of the I-205 Specific Plan, the City of Tracy General Plan, and applicable requirements of Chapter 10.08 of the Tracy Municipal Code, including, but not limited to, Article 26, Off-Street Parking Requirements, and Article 30, Development Review.
2. The project will not adversely affect or impair the benefits of occupancy, most appropriate development, property value stability, or the desirability of property in the vicinity because the site design and architectural elements of the project as designed and conditioned, are an architecturally interesting addition to the parcel, and will not adversely visually impair the benefits of the properties in the vicinity, as the project includes desirable elements, including outdoor seating and mature landscaping.

- 3. The project, as designed and conditioned, will not cause any significant environmental impact, because it is categorically exempt from the California Environmental Quality Act Pursuant to CEQA Guidelines Section 15332, pertaining to infill projects smaller than five acres surrounded by urban uses that are consistent with the Zoning and General Plan designations and not having any significant environmental effects. An analysis of the project shows that there will be no significant on-site impacts as a result of this particular project. There is also no evidence of any significant impacts to occur off-site as a result of the project, as traffic, air quality, land use and other potential cumulative impacts.

\* \* \* \* \*

The foregoing Resolution 2014- \_\_\_\_\_ was adopted by the Tracy City Council on the 20<sup>th</sup> day of May, 2014, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

Exhibit 1 - Conditions of Approval

**Conditions of Approval for Red Robin  
Application No. D14-0006  
May 20, 2014**

1. These Conditions of Approval shall apply to the real property described as a 5,671 square foot restaurant, Application Number D14-0006 (hereinafter "Project"), located at 2770 N. Naglee Road, Assessor's Parcel Number 212-050-60.
2. The following definitions shall apply to these Conditions of Approval:
  - a. "Applicant" means any person, or other legal entity, defined as a "Developer".
  - b. "City Engineer" means the City Engineer of the City of Tracy, or any other duly licensed engineer designated by the City Manager, or the Development Services Director, or the City Engineer to perform the duties set forth herein.
  - c. "City Regulations" means all written laws, rules, and policies established by the City, including those set forth in the City of Tracy General Plan (also known as the Urban Management Plan), the Tracy Municipal Code, I-205 Corridor Specific Plan, ordinances, resolutions, policies, procedures, and the City's Design Documents (including the Standard Plans, Standard Specifications, Design Standards, and relevant Public Facility Master Plans).
  - d. "Development Services Director" means the Development Services Director of the City of Tracy, or any other person designated by the City Manager or the Development Services Director to perform the duties set forth herein.
  - e. "Conditions of Approval" shall mean the conditions of approval applicable to the 5,671 square foot restaurant, Application Number D14-0006.
  - f. "Project" means the real property consisting of the building located at 2770 N. Naglee Road, Assessor's Parcel Number 212-050-60.
  - g. "Subdivisor" means any person, or other legal entity, who applies to the City to divide or cause to be divided real property within the Project boundaries, or who applies to the City to develop or improve any portion of the real property within the Project boundaries. The term "Developer" shall include all successors in interest.
3. The Developer shall comply with all laws (federal, state, and local) related to the development of real property within the Project, including, but not limited to: the Planning and Zoning Law (Government Code sections 65000, et seq.), the Subdivision Map Act (Government Code sections 66410, et seq.), the California Environmental Quality Act (Public Resources Code sections 21000, et seq., "CEQA"), and the Guidelines for California Environmental Quality Act (California Administrative Code, title 14, sections 1500, et seq., "CEQA Guidelines").

4. Unless specifically modified by these Conditions of Approval, the Developer shall comply with all City Regulations.
5. Unless specifically modified by these Conditions of Approval, the Developer shall comply with all mitigation measures identified in the General Plan Environmental Impact Report, dated February 1, 2011, and the I-205 Corridor Specific Plan Negative Declaration dated July 6, 1999.
6. Except as otherwise modified herein, all construction shall be consistent with the site plan and architectural renderings received by the Development Services Department on April 17, 2014.
7. Prior to the issuance of a building permit, the applicant shall provide a detailed landscape and irrigation plan for the new landscape improvements consistent with City landscape and irrigation standards, including, but not limited to Tracy Municipal Code Section 10.08.3560, I-205 Corridor Specific Plan, and Water Efficient Landscape Guidelines on private property, to the satisfaction of the Development Services Director.
8. All improvements shall be consistent with the Tracy Municipal Code, Standard Plans, and other applicable City Regulations.
9. Prior to the issuance of a building permit, a detailed plan of the trash enclosure shall be approved, showing solid metal doors, an interior concrete curb, a minimum height of seven feet, and exterior materials and color compatible with the adjacent building exterior.
10. No roof mounted equipment, including, but not limited to, HVAC units, vents, fans, antennas, sky lights and dishes whether proposed as part of this application, potential future equipment, or any portion thereof, shall be visible from Naglee Road, I-205, or any other public right-of-way.
11. All vents, gutters, downspouts, flashing, electrical conduit, and other wall-mounted or building-attached utilities shall be painted to match the color of the adjacent surface or otherwise designed in harmony with the building exterior to the satisfaction of the Development Services Director.
12. All PG&E transformers, phone company boxes, Fire Department connections, backflow preventers, irrigation controllers, and other on-site utilities, shall be vaulted or screened from view from any public right-of-way, behind structures or landscaping, to the satisfaction of the Development and Engineering Services Director.
13. The backs of all parapet walls that are visible from any public right-of-way shall be finished with the same materials and colors as the exterior walls of the buildings.

AGENDA ITEM 7

REQUEST

**DISCUSS AND PROVIDE DIRECTION RELATING TO SUBMITTING A MEASURE TO THE VOTERS AT THE NOVEMBER 4, 2014 GENERAL MUNICIPAL ELECTION TO CHANGE THE TERM OF MAYOR FROM TWO TO FOUR YEARS**

EXECUTIVE SUMMARY

This agenda item is to allow the City Council to discuss and provide direction relating to submitting a measure to the voters at the November 4, 2014 general municipal election to change the term of Mayor from two to four years.

DISCUSSION

Currently, the term of Mayor is two years. The Government Code allows the City Council to submit to the electors the question of whether the Mayor shall serve a two-year or a four-year term. At its May 6, 2014 meeting, the City Council directed that this item be placed on the agenda to allow the Council to discuss and provide direction on whether it wishes to place such an item on the November 4, 2014 ballot.

If the City Council wishes to place such an item on the November 4, 2014 ballot, it would have to adopt a resolution doing so no later than the first regular City Council meeting in June of this year. Because such a measure could only apply prospectively, if such a measure was placed on the ballot and was approved by the voters, it would apply to Mayoral terms beginning in 2016.

The voters of the City have also adopted term limits for both Mayor and City Council Members. The term limits are contained in section 2.04.040 of the Tracy Municipal Code, which provides as follows:

- (a) After the operative date of this section, no person shall serve more than two (2) terms as a member of the City Council, and no person shall serve more than two (2) terms as Mayor.
- (b) If a person is appointed or elected to fill the unexpired term of a member of the City Council or the office of Mayor, that term shall count as one term against the two-term limit for each of those offices provided in subsection (a).

No changes are being proposed to these term limits.

STRATEGIC PLAN

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

FISCAL IMPACT

The Registrar of Voters for San Joaquin County estimates adding such a measure to the ballot would be approximately \$25,000.

RECOMMENDATION

Staff recommends that City Council discuss and provide direction relating to submitting a measure to the voters at the November 4, 2014 general municipal election to change the term of Mayor from two to four years.

Prepared by: Daniel G. Sodergren, City Attorney  
Reviewed by: Daniel G. Sodergren, City Attorney  
Approved by: Daniel G. Sodergren, City Attorney

AGENDA ITEM 8

REQUEST

**RECEIVE PRESENTATION ON A CITYWIDE AQUATIC SOLUTION AND PROVIDE INPUT AND DIRECTION TO STAFF**

EXECUTIVE SUMMARY

On September 17, and October 1, 2013, Council directed staff to begin negotiations with Wild Rivers, LLC and Surland Communities respectively for development and operations of an aquatic center in the community. Staff developed and implemented a proposal review and selection process. Wild Rivers, LLC submitted a proposal which identified their preferred location as the Ellis site. Through discussions with Wild Rivers, it is not feasible for them to address all of the community's needs at the Ellis site. Staff has come up with a possible solution to be considered which will be able to address all of the needs in the community.

BACKGROUND

The concept of an aquatic center has been an ongoing project for the City of Tracy for over a decade. There have been multiple feasibility studies completed as well as numerous community workshops to gather input from the community on specific desires.

In 2011, staff presented to Council a base bid for an aquatic center that included the following amenities:

- Lazy River
- Waterslides
- Activity Pool
- Wet Play Structure
- Sprayground

In addition, the following items were presented as bid additives:

- Flow Rider
- 52-meter Competition Pool
- Recreation/Swim Lesson Pool
- Multi-purpose/rental room
- Beach Volleyball/Soccer (including restrooms)

At the time, it was estimated that the total cost to design and construct all of the elements and construct the items listed in the base bid would total \$15,736,445. The cost to construct all of the bid additive items was estimated to be an additional \$15,173,325.

In October 2012, during discussions regarding the aquatic center, Council directed staff to look into a potential public/private partnership to deliver an aquatic center. Staff reached out to three waterpark owner/operators in California. Wild Rivers, LLC

expressed interest in exploring a Memorandum of Understanding (MOU) with the City. Surland companies also expressed interest in pursuing a proposal for private development of the aquatic center.

On September 17 and October 1, 2013, Council directed staff to begin negotiations with Wild Rivers, LLC and Surland Communities for the potential development and operation of an aquatics center in the City of Tracy. Since the initial letters of intent submitted to the City by Wild Rivers LLC and Surland Communities described very different projects in scope and scale, staff developed a formal process to review individual project proposals based on a consistent set of criteria. On March 18, 2014, staff informed Council that only a proposal from Wild Rivers, LLC has been received. Additionally, at the March 18, meeting Council gave staff direction to proceed with an Exclusive Negotiating Rights Agreement (ENRA) with Wild Rivers, LLC for development of an Aquatic Center at the Ellis location.

## DISCUSSION

As discussed during the March 18, 2014, Council meeting, a staff aquatic center team has been assembled to develop and implement a negotiation process to obtain more detailed information from each of the proposers. A Proposer Questionnaire was developed and sent to each developer on November 20, 2013. To date, staff has only received a proposal from Wild Rivers, LLC.

The ultimate goal is to provide a solution that meets the needs of the community while trying to minimize the fiscal impacts to the City with regards to ongoing operational expenses.

Wild Rivers indicated to staff that addressing all of the community's aquatic needs in one location would not be feasible within their business model. In particular, it would not be feasible to build a 50-meter pool in conjunction with their model, although they did indicate a willingness to build a 25 meter activity pool, which could be operated year round, should there be demand for such use.

With the information obtained from Wild Rivers, there are a couple of different options available to consider. The two different options are outlined below:

### **OPTION 1:**

Given that Wild Rivers has stated that building and maintaining a 52-meter competition pool as part of their business would not be feasible, the first option would be to set aside two acres of land on the Ellis site to be reserved for the construction of a competition pool at some future date when capital and operational funding become available.

Wild Rivers has indicated that they need 18-20 acres in order to construct their facility. This requires obtaining an additional four acres at the Ellis site (currently, the development agreement with Surland Communities, LLC provides for 16-acres of land at Ellis). Of the four additional acres, two acres would be reserved by the City to build a 52-meter competition pool that would share parking with the Wild Rivers facility. The 52-meter pool would have separate access from the Wild Rivers facility. This would

leave approximately 11-12 acres for waterpark; two acres for the City-owned competition pool and six to seven acres for parking. Taking this approach would require additional negotiation with Wild Rivers in order to further refine the concept. Staff has already begun preliminary discussions with Wild Rivers and they are agreeable to the idea to carve out a two acre parcel for this option. It is unknown at this time if Wild Rivers would agree to include an activity pool as part of their design since they would be giving up two acres of land.

Other factors to consider when taking this approach would be the increased operating expenses associated with a 52-meter pool. It is estimated that the annual maintenance and operating costs for this pool would be \$653,000. According to the City's consultant, the City can anticipate recovering approximately 55% of that annual cost through swim team usage, rentals, swim meets, lap swimming program fees and other miscellaneous income sources. This is an average of what can be expected, based on surveys from the municipalities in California that operate 52-meter pools similar to what is being proposed. At 55% cost recovery, the City would recover approximately \$359,150 with the net operating cost of approximately \$293,850 in expenses each year to budget from either the general fund or some other funding source. These costs would be in addition to the operating costs the City is already expending on the Joe Wilson pool and a portion of the expenses for the West High pool. Currently the City's adopted budget includes approximately \$304,000 for the Aquatics programs. This cost includes program staffing, maintenance of the Joe Wilson Pool, 25% of the maintenance costs for the West High pool, internal service charges, and other miscellaneous expenses for program operations. It is unknown at this time what expenses from the current budget would carry over toward the cost of operating the 52-meter pool, but going solely by the estimates of \$653,000 for operating costs, the new Aquatics budget would be over 2 times the amount of the current Aquatics budget. At 55% cost recovery, the City would need an additional \$157,000 per year to pay for the additional operating expense.

If this option were selected, there would need to be further exploration with the Tracy Unified School District (TUSD) regarding the existing MOU. Should the City construct its own 52-meter pool, the City may not need to have an agreement with TUSD for use of the West High pool. As stated prior, further details would need to be vetted with Wild Rivers. A 52-meter competition pool is not an ideal environment for providing swim lessons, thus use of an activity pool would also need to be available. This option does not address whether the Joe Wilson pool should remain closed or be renovated and re-opened. The latter would require additional capital funds for necessary improvements.

In summary, selecting Option 1 would do the following:

- Increase the space available for competitive use by having two 52-meter pools in Tracy.
- Sustain the current level of instructional and recreational use.
- Addition of a water park to Tracy.
- Joe Wilson Pool remains in its current state of closure.

#### **OPTION 2:**

Staff had requested that RJM Design Group complete a citywide aquatic analysis to aid in creating a citywide aquatic solution as another option to address the community

needs. This solution is focused on existing facilities that could be modified to address the needs of the various stakeholders.

The proposed solution is summarized as follows, with each component being discussed in greater detail below:

- Build an aquatic park at the Ellis site which would meet the recreational needs of the community and have the ability to meet some of the community's competitive needs through the building of a 25 meter pool (recreation pool) on the site. (Potential cost to the City is to be determined as negotiations with Wild Rivers progress.)
- Renovate the West High School 50 meter swimming pool to better suit the competitive needs of the community. Space at the West High pool could also be used to supplement the instructional needs of the community. (Potential costs could range from \$1.5 to \$2.5 million for renovation.)
- Renovate the Joe Wilson Community Pool to address the instructional needs of the community and also supplement the recreational needs. (Potential costs could range from \$2.5 to \$3.5 million for renovation.)

### **Ellis Site**

A new 20-acre aquatic center size recommended by Wild Rivers is necessary to accommodate a greater number of customers than the City's original concept of a local serving swim center. According to Wild Rivers, the proposed amenities would be consistent with development of their other facilities which are regional serving water parks; for example, a wave pool is proposed which would accommodate a large number of customers at one time.

While there may be an industry formula for water park developers to accommodate more customers, Wild Rivers has indicated that they are open to including amenities and design concepts that meet the needs of both the community and the neighboring Ellis residents. For example, Wild Rivers has proposed to include a recreational pool that can accommodate swim lessons as well as swim team practices. The draft proposal also includes a lazy river which would allow an option for swimming against a current as additional conditioning.

Equally important is to design an aquatic center that will blend in with the neighboring Ellis community. Wild Rivers has indicated they are willing to work with the community and Surland Communities to find a balance between desired amenities and design elements that will be compatible with the Ellis development. As part of this project, Wild Rivers is amenable to include a 25-meter activity pool which could be used during business hours to enhance the recreational needs, and could also be used during off hours and off season for competitive swimming needs. Moving forward, there would be additional community workshops to gather input from stakeholders and residents alike.

### **West High School Pool**

The Merrill West High School pool was constructed through a joint-use agreement between the City and Tracy Unified School District approximately five years ago. The shortcomings at this pool are a) the pool lacks adequate spectator areas (bleachers) to

accommodate large swim meets, b) there is no turf area around the pool for families to set up shade canopies as is the common practice for weekend-long regional swim meets, and c) because of the depth and shape of the pool it has limited recreational use by the community. The following describes the solutions that are recommended for this pool to achieve better utilization and appreciation of this important community resource.

- a. Bleachers: There is an opportunity to greatly enhance the seating capacity on the south side of the pool by the construction of an elevated bleacher system that would cantilever over the parking area to the south. The south side is ideal for spectator viewing, as the sun angle would be behind the spectators, and the scoreboard is on the north side of the pool. Additional bleachers could also be built on the west side of the pool.
- b. Turf area: Currently the swim teams block off an area of the West High School parking lot for swimmers to set up their own shade canopies. According to one of the swim teams, that practice could suffice instead of spending additional money to install turf which would require additional maintenance, and could potentially be spent on additional bleachers, for which they see as a greater need.
- c. Recreational use: For the residents of the City to receive good recreational use of this pool, there are two suggested additions. Swap out the existing scoreboard for an LCD panel screen, which would accommodate movie display for evening "dive in" events. This would also accommodate other useful entertainment such as video display of photo-finish swim meet instant replays, advertisements, etc. An inflatable obstacle course/climbing wall product can be purchased and placed in the center of the pool for an exciting recreation amenity that has become very popular with teen and pre-teen aged patrons of summer swimming programs.

### **Joe Wilson Community Pool**

The existing Joe Wilson Pool has been closed for three swimming seasons because the usable life span of the facility has been exceeded and major repairs and modifications would be required to bring the facility up to current health department codes. The size of the pool is also a problem for functionality; the pool is a 6-lane by 25 yard size with an "L" shaped area that provides 40' x 37.5' of recreation/swim lesson area. The depth of the pool starts at 2'-6" at the base of the steps and deepens to 10' at the pool main drain to accommodate a 1-meter diving board.

The possible solutions for Joe Wilson Pool are as follows: a) renovate the pool in its current configuration, b) demolish the Joe Wilson Pool, repurpose the site and build a citywide aquatics facility at some other location, or c) rebuild a contemporary aquatics facility at the Joe Wilson Pool site.

Renovating Joe Wilson Pool is an expensive endeavor, because of the health code requirements, aged condition of the facility, mechanical equipment failure and ADA code requirements. The configuration of the pool may have worked for Tracy when it was constructed, but the City has grown over the past thirty years and it would not be advisable to restrict the City to the old configuration.

While the demolition of the Joe Wilson pool is a feasible option, it may not be desired by the community because of the favorable location of the site near residential

neighborhoods that are accustomed to having a convenient public swimming pool. The advantage of this scenario is mostly financial, in that it would allow the City to concentrate construction resources and annual operational costs at a larger citywide facility.

A contemporary facility at the Joe Wilson Pool site could be an acceptable option for the City, as the existing utilities infrastructure, existing use patterns and tradition of the site for aquatics use would be an effective use of financial resources. One such configuration would be to construct a 25 yard by 3 lane instruction/lap swim pool plus a recreation pool. This proposed solution would include one pool ideally suited for learn-to-swim programs, water aerobics programs, lap swimming programs, water activities such as basketball and volleyball, plus a second recreation pool of approximately 2,600 square feet primarily for family use with a focus on water play for younger aged children. The recreation pool would include a zero-depth entry, a shallow maximum depth of 18" and a wet play equipment structure. This project would allow for the recreation pool to be emptied and shut down over the winter to save on operational costs, while the 25 yard x 3 lane pool could have continued operation over a longer season for water aerobics and lap swimming. The existing pool building would need renovation, but would not need to be expanded because the restrooms and showers inside have adequate quantities to satisfy the health code requirements.

Pursuing option 2 would require a lesser increase in operating expenses as the City is already paying for ongoing expenses at Joe Wilson pool and the West High pool. The increase in operating expenses would primarily be attributed to additional staffing required at the Joe Wilson Pool, although some of those costs may be shifted from the West High Pool as the primary instructional pool would be the Joe Wilson Pool. In addition, there may be additional maintenance costs required due to newer technology and additional equipment that is not known to staff at this time. Option 2 would also require revisiting the MOU with TUSD to ensure that there is greater community access to the West High pool.

In summary, selecting Option 2 would do the following:

- Increase available water space for competitive swim groups by eliminating instructional use from the West High Pool
- Enhance the West High Pool to meet the needs of the competitive swim groups
- Increase instructional opportunities by adding an activity pool at the Wild Rivers site and by renovating Joe Wilson Pool
- Increased recreational opportunities by renovating Joe Wilson Pool
- Addition of a water park to Tracy

It has been suggested by Council that staff pursue both options concurrently. This would be very difficult to achieve given the timeline to negotiate with the various stakeholders involved, primarily Wild Rivers and TUSD. There is the potential for a situation to arise where one party waits to see how the other option turns out before making a decision.

Staff has been in communication with TUSD representatives who discussed the proposed ideas with TUSD's Facilities Use Committee. That committee recommended a larger discussion with the TUSD School Board. This item was presented to the TUSD

School Board on May 13, 2014. At that meeting, TUSD decided that due to their upcoming bond measure on the ballot for the June 3, 2014 election and other issues they are dealing with related to the end of the school year, that they want to postpone making any decisions related to the West High pool until after their other issues are resolved.

### **OPTION 3:**

The third option for discussion is the original plan to build a City-owned and aquatic center at the Ellis site as presented to Council in 2012. This was the initial vision proposed to Council which would be built in phases. As last presented to Council, the total cost for the first phase of development of this option was estimated at \$15.7 million. Due to funding challenges associated with this option, Council asked staff to look into a public/private partnership.

As Council has already given staff direction to proceed with an Exclusive Negotiating Rights Agreement (ENRA) with Wild Rivers, LLC for development of an Aquatic Center at the Ellis location, it is important to obtain Council's feedback in moving forward with the other elements needed to meet the community's aquatic needs.

### **STRATEGIC PLAN**

This agenda item supports the Economic Development Strategic Plan goal of attracting retail and entertainment uses that offer residents quality dining, shopping, and entertainment experiences, and specifically implements the following Action/Task:

Action/Task 2.b.2: Outreach to developers and/or operators to determine if a market exists for the private development and operation of a regional waterpark in Tracy.

### **FISCAL IMPACT**

This agenda item is for discussion purposes only; therefore, there is no fiscal impact to the General Fund. Once conceptual direction has been received from Council and negotiations with Wild Rivers complete, a thorough fiscal analysis will be conducted to determine the impact on the General Fund. The Capital Improvement Program (CIP) has approximately \$4 million budgeted for the Aquatics Center CIP; an additional \$10 million in community benefit funding is anticipated from the Surland Development Agreement with the City.

### **RECOMMENDATION**

Staff recommends that Council provide input and direction to staff regarding a citywide aquatic solution.

Prepared by: Ed Lovell, Management Analyst II  
Andrew Malik, Development Services Director  
William Dean, Assistant Development Services Director  
Amie Mendes, Economic Development Management Analyst

Agenda Item 8  
May 20, 2014  
Page 8

Barb Harb, Management Analyst  
David Ferguson, Public Works Director

Reviewed by: Gary Hampton, Interim Assistant City Manager

Approved by: Maria A. Hurtado, Interim City Manager

AGENDA ITEM 9

REQUEST

**APPROVE AN AGREEMENT WITH TYLER TECHNOLOGIES, INC. FOR AN ENTERPRISE RESOURCE PLANNING SYSTEM INCLUDING IMPLEMENTATION, SUPPORT, LICENSING AND SAAS SERVICES**

EXECUTIVE SUMMARY

As part of the Fiscal Year (FY) 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. Since then, staff conducted a thorough evaluation of the City's business needs and current technologies and issued a Request for Proposal (RFP) to identify ERP vendors. This process required vendors to conduct an all-inclusive presentation of their product, demonstrating its functionality, efficiency, and effectiveness. A cross-departmental employee committee of future ERP system users unanimously selected Tyler Technologies, Inc. as the best fit for the City.

The total cost for the new ERP system over a seven-year period is approximately \$2.6 million. This amount includes one-time (\$970,000), contingency and ongoing operating costs (\$1.5 million). Operating costs are \$298,549 annually; of that amount, only \$228,000 will be an ongoing General Fund expense.

The one-time cost of \$970,000 is included in the City's CIP Budget; ongoing costs will be budgeted each year as part of the City's operating budget.

DISCUSSION

**Background**

The City of Tracy uses many different and disparate software systems to perform its financial, human resources, operational, and governance duties. Since 2009, the City's primary financial and payroll system has been MS-Govern (formally known as GEMS). Other key systems include Northstar Utility Billing and Trak-IT permitting and planning software.

The GEMS system has serious limitations from an operational, functional and technological perspective. It has little or no support for many of today's current technologies; multiple programs or a manual approach is necessary to perform numerous budget, financial, human resource, and payroll functions. In particular, the continued use of manual approaches has created city-wide inefficiencies and is more prone to error. Furthermore, GEMS has very limited integration abilities, and cannot communicate with other city-wide systems, which is essential to financial record keeping.

In the past, the City has used a “best of class” approach when selecting software products that meet the needs of individual departments or specific functions. While this approach has worked well, changes in technology now provide the opportunity to meet city-wide needs through a single, integrated product by a single vendor. This new model has many benefits including lower costs, efficient communication between software functions, increased efficiency and the ability to adapt to new technologies as they come to market.

### **Vendor Selection Process**

In early 2013, City staff began exploring options for the replacement of GEMS. This included a city-wide system needs assessment, examination of the current systems and processes and solutions available in the marketplace. In July 2013, the City released a RFP for an ERP system.

Five vendors responded to the RFP, which was subsequently narrowed to two vendors, who were required to provide an extensive, detailed demonstration of their respective products. An evaluation committee of approximately 50 city staff (who were also users of the existing system) was established and participated in the vendor demonstrations. Each vendor provided a module-by-module presentation over a 2-day period, providing ample time for questions and follow-up demonstrations. Several smaller web demonstrations were also performed for specific groups who had additional questions or needed to see advanced capabilities.

Finally, the evaluation committee completed a survey to gauge which system provided the city-wide best solution and could address a majority of department needs. Overwhelmingly, Tyler Technologies was selected. Extensive reference checks were conducted, including references provided by Tyler as well as other known Tyler users. Staff also performed an on-site visit to one reference.

### **Recommended Vendor - Tyler Technologies**

Tyler Technologies was selected based on its higher functionality, ability to provide a city-wide solution, meeting the needs of all departments, and estimated cost of ownership.

Tyler Technologies is a publicly traded company (TYL) listed on the NYSE with over 25 years of ERP experience. Tyler deals only with public sector entities and has more than 1,400 clients live on this ERP product with over 400 using their vendor-hosted model. In all, Tyler has over 10,000 public sector clients throughout the United States, including customers in both northern and southern California. Many of Tyler’s California clients are similar in size and complexity to the City of Tracy.

Another important consideration in the selection process was the ongoing cost to upgrade to newer versions, features and technologies as they become available. Tyler follows a perpetual upgrade approach called “evergreen”, which is included in the annual maintenance cost. This prevents disruptive and costly upgrades and ensures product efficiency and cutting-edge service. Among the many features of Tyler, a recently

developed “Transparency” module has been introduced which will help the City meet its open government initiative. This module will allow financial data to be pushed out through the City’s website in an automated, citizen-friendly format while maintaining the security and integrity of the underlying information.

The proposed agreement includes the following software modules:

- Financials (Accounts Payable, Accounts Receivable and Miscellaneous Billing, Bank Reconciliation, Budgeting, General Ledger, Fixed Assets, Cash Management, Cash Receipting, Project and Grant Accounting)
- Utility Billing CIS
- Purchasing (Purchasing, Contract Management)
- Human Resources (Human Resources, Payroll, Time and Labor)
- Community Development (Planning and Community Development, Permitting, Business License, Master Address, Inspections and Code Enforcement)
- Facilities Management (Facilities Management, Inventory Management, Request for Service, Work Order)
- Other (Transparency, Productivity, Document Management, Citizen Contacts)

Other benefits of this solution include:

- Improved business process efficiency
- Electronic process workflow and electronic approvals
- Increased utilization of the system by staff
- Roll-tailored dashboard putting all tasks in one place
- Elimination of duplicate, manual and shadow systems
- Less paper-intensive environment through electronic document/records management
- Single, comprehensive and integrated system and database
- Increased employee, citizen, and business interaction through numerous electronic portals
- Increased field utilization by staff through portable computing devices
- Early adoption and integration of newer technologies as they become available
- Enhanced and customizable reporting

### **System Implementation**

Implementation of the ERP system will follow a phased approach beginning with financials and then progressing through all modules over an 18–20 month period. The Tyler project management team will be providing overall guidance and will be following Tyler’s proven implementation plan. The implementation plan includes project planning, data conversion, training, go-live and ongoing post-go live services. City staff will be responsible for most of the work, defining business rules, and system testing. The implementation process will provide a unique opportunity to examine and update the City’s business practices and adopt best-practice models where beneficial. This process will run congruent to the City’s Internal Control Review project.

Part of the implementation process requires the determination of whether the City or vendor will host the system. Staff recommends a "Software as a Service" (SaaS) or vendor-hosted model. Under this solution, the majority of the ERP system will be installed and operated on servers at the vendor's data center, rather than at a City facility. This benefits the City by reducing overhead costs for server maintenance and database administration, minimizing recurring capital investment costs for new servers and computer hardware, and improved business continuity and disaster recovery support. Tyler is responsible for all support, security, database administration and disaster recovery services allowing internal IT staff to concentrate their resources on other priorities. The SaaS overhead cost is built into the contract price.

### STRATEGIC PLAN

This agenda item addresses Objective 2c, Enhance Fiscal Transparency, and Objective 3c, Begin Implementation of Enterprise Resource Planning Software, of the Governance Strategy to ensure fiscal sustainability through financial budgetary stewardship.

### FISCAL IMPACT

The total cost for the ERP solution is \$2,643,854 and will be paid for over a period of seven years. This amount includes one-time fixed cost, a 10% contingency of \$220,987, and ongoing annual operating costs of \$298,549. Of that amount, \$228,000 will be a General Fund expense.

Costs will be expended as each project phase begins. Full implementation is expected to occur by year three. Initial funding of \$970,000 for years one and two will be funded from the City's CIP Budget (CIP 79411). On-going costs for software/hosting support in years three through seven would be budgeted in the annual operating budget. At the end of the seven-year term, the Tyler contract will need to be extended or a contract with a new vendor will need to be negotiated. Should the City renew its' contract with Tyler, ongoing software/hosting support are expected to be equal or less than the costs incurred over the period of the prior contract.

Once fully implemented, it is anticipated that licensing and information technology support and maintenance costs from existing systems will no longer be needed and subsequently eliminated. This would reduce the City's annual on-going costs by an average of \$250,000 per year.

### RECOMMENDATION

It is recommended that Council approve the attached resolution authorizing the Mayor to execute an agreement with Tyler Technologies, Inc. for an Enterprise Resource Planning System including implementation, support, licensing and SaaS services with a total value of \$2,209,867 over a seven year period and further authorizing the City Manager to execute change orders in the amount of ten percent (10%) of the contract value should unexpected software anomalies arise during implementation.

Agenda Item 9  
May 20, 2014  
Page 5

Prepared by: Robert Harmon, Senior Accountant  
Reviewed by: Jenny Haruyama, Administrative Services Director  
Bill Sartor, Assistant City Attorney  
Gary Hampton, Interim Assistant City Manager  
Approved by: Maria A. Hurtado, Interim City Manager

ATTACHMENTS

Attachment A – Tyler Technologies Contract w/Exhibits 1 - 8

RESOLUTION \_\_\_\_\_

APPROVING AN AGREEMENT WITH TYLER TECHNOLOGIES, INC. FOR AN ENTERPRISE RESOURCE PLANNING SYSTEM INCLUDING IMPLEMENTATION, SUPPORT, LICENSING AND SAAS SERVICES

WHEREAS, City staff from all departments have met and determined that the current finance and payroll systems no longer meet the City's operational needs, and

WHEREAS, Council has authorized funding to replace the City's current financial system with an Enterprise Resource Planning System (ERP) as part of the Fiscal Year 2013/14 Capital Improvement Program, and

WHEREAS, City staff has conducted a search for a replacement enterprise system that will process City business more efficiently and effectively, and

WHEREAS, City issued a Request for Proposal on July 8, 2013 for ERP Software and Implementation Services, including Financial & Human Resource Management, Utility Billing, Community Development and Customer/Citizen Self-Service, and

WHEREAS, City received five responses to said Request for Proposal, and

WHEREAS, City received comprehensive on-site demonstrations from two vendors, and

WHEREAS, City has selected Tyler Technologies, Inc. the provider of financial and utility billing software and software hosting services, and

WHEREAS, City proposes to enter into an agreement with Tyler Technologies, Inc. for the Enterprise Resource Planning system, implementation, support, licensing and SaaS hosting services with a total value of \$2,209,867 over a seven year period;

NOW, THEREFORE, BE IT RESOLVED, That the City Council of the City of Tracy does hereby authorize the Mayor to execute an agreement with Tyler Technologies, Inc. for the Enterprise Resource Planning system including implementation, support, licensing and SaaS services with a total value of \$2,209,867 over a seven year period;

BE IT FURTHER RESOLVED That the City Manager is hereby authorized to execute change orders in the amount of ten percent (10%) of the contract value should unexpected software anomalies arise during implementation.

\* \* \* \* \*

The foregoing Resolution 2014-\_\_\_\_\_ was adopted by City Council on the 20th day of May, 2014, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

---

MAYOR

ATTEST

---

CITY CLERK

## AGREEMENT

This Software as a Service (“SaaS”) agreement (“Agreement”) is made this \_\_\_\_\_ day of \_\_\_\_\_ 2014 (“Effective Date”) by and between Tyler Technologies, Inc., a Delaware corporation with offices at 1 Tyler Drive, Yarmouth, Maine 04096 (“Tyler”) and the City of Tracy, with offices at 333 Civic Center Plaza, Tracy, California 95376 (“Client” or the “City”).

WHEREAS Client issued a Request for Proposals for the purpose of acquiring ERP Software and Implementation Services (“Systems”); and

WHEREAS Tyler responded to Client’s Request for Proposals with a Proposal dated August 22, 2013; and

WHEREAS Client, on \_\_\_\_\_ awarded Tyler the contract for furnishing, delivering, implementing, and hosting of the specified System;

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants and promises set forth herein, Tyler and Client agree that Tyler shall provide products and services, and Client shall pay prices, as set forth in this Agreement.

### SECTION A – SOFTWARE LICENSE

#### 1. License Grant.

- a. Upon the Effective Date, Tyler hereby grants to Client a non-exclusive, non-transferable, royalty-free, revocable license to use the Tyler software products set forth in the investment summary attached hereto as Exhibit 1 (“Investment Summary”) and related interfaces (collectively, the “Tyler Software Products”) and Tyler user guides provided in or with the Tyler Software Products (“User Guides”) for Client's internal business purposes only and otherwise subject to the terms and conditions of this Agreement. The grant of license is contingent on Client remitting payment of fees required under this SaaS Agreement. TYLER HAS THE RIGHT TO REVOKE THIS LICENSE IF CLIENT TERMINATES, CANCELS OR FAILS TO RENEW A SAAS AGREEMENT. TYLER HAS THE RIGHT TO REVOKE THIS LICENSE IF CLIENT FAILS TO REMIT ANY REQUIRED SAAS FEES AND THE AMOUNT IN ARREARS IS THIRTY (30) DAYS OR OLDER FOLLOWING THIRTY (30) DAYS WRITTEN NOTICE TO CLIENT OF TYLER INTENT TO REVOKE THE LICENSE.
- b. Tyler shall retain ownership of, including all intellectual property rights in and to, the Tyler Software Products and User Guides.
- c. The Tyler Software Products are not licensed to perform functions or processing for subdivisions or entities that were not disclosed to Tyler prior to the Effective Date.
- d. Client shall use best efforts to prevent any misuse, unauthorized use or unauthorized disclosure of the Tyler Software Products or User Guides by any party.
- e. The Tyler Software Products may not be modified by anyone other than Tyler. If Client modifies the Tyler Software Products without Tyler's prior written consent, Tyler's obligations to provide maintenance services on, and the warranty for, the Tyler Software Products will be void. Client shall not perform decompilation, disassembly, translation or other reverse engineering on the Tyler Software Products.
- f. In the event Client acquires from Tyler any edition of Tyler Content Manager software other than Enterprise Edition, the license for Content Manager is restricted to use with Tyler applications only. If Client wishes to use Tyler Content Management software with non-Tyler applications, Client must purchase or upgrade to Tyler Content Manager Enterprise Edition.

2. License Fees. Client agrees to pay Tyler, and Tyler agrees to accept from Client as payment in full for the license granted herein, the SaaS fees set forth in the Investment Summary.
3. Limited Warranty. For the purposes of this Agreement, a “Defect” is defined as a failure of the Tyler Software Products to substantially conform to the then-current Tyler User Guides and the functional descriptions of the Tyler Software Products in Tyler's written proposal to Client. In the event of conflict between the afore-mentioned documents, the then-current Tyler User Guides will control. A Tyler Software Product is “Defective” if it contains a Defect. For as long as a current SAAS Agreement is in place, Tyler warrants that the Tyler Software Products will not contain Defects. If the Tyler Software Products do not perform as warranted, Tyler will use reasonable efforts, consistent with industry standards, to cure the Defect in accordance with Tyler’s then-current support call process (Tyler’s current support call process is set forth in the document attached hereto as Exhibit 3).
4. Intellectual Property Infringement Indemnification.
  - a. Tyler’s Obligations. Tyler shall defend and indemnify Client against any claim by an unaffiliated third party of this Agreement that a Tyler Software Product, if used within the scope of this Agreement, directly infringes that party's registered United States patent, copyright or trademark issued and existing as of the Effective Date or as of the distribution date of a release to the Tyler Software Product, and will pay the amount of any resulting adverse final judgment issued by a court of competent jurisdiction or of any settlement made by Tyler in writing.
  - b. Client’s Obligations. Tyler obligations in this section are contingent on the Client performing all of the following in connection with any claim as described herein:
    - i. Promptly notifies Tyler in writing of any such claim;
    - ii. Gives Tyler reasonable cooperation, information, and assistance in connection with the claim; and
    - iii. Consents to Tyler's sole control and authority with respect to the defense, settlement or compromise of the claim.
  - c. Exceptions to Tyler’s Obligations. Tyler will have no liability hereunder if the claim of infringement or an adverse final judgment rendered by a court of competent jurisdiction results from:
    - i. Client's use of a previous version of a Tyler Software Product and the claim would have been avoided had Client used the most-current version of the Tyler Software Product made available to the Client;
    - ii. Client's combining the Tyler Software Product with devices or products not provided or recommended by Tyler;
    - iii. Use of a Tyler Software Product in applications, business environments or processes for which the Tyler Software Product was not designed or contemplated, and where use of the Tyler Software Product outside such application, environment or business process would not have given rise to the claim;
    - iv. Corrections, modifications, alterations or enhancements that Client made to the Tyler Software Product and such correction, modification, alteration or enhancement is determined by a court of competent jurisdiction to be a contributing cause of the infringement;
    - v. Use of the Tyler Software Product by any person or entity other than Client or Client's employees; or
    - vi. Client's willful infringement, including Client’s continued use of the infringing Tyler Software Product after Client becomes aware that such infringing Tyler Software Product is or is likely to become the subject of a claim hereunder.
  - d. Remedy.
    - i. In the event a Tyler Software Product is, by a court of competent jurisdiction, finally determined to be infringing and its use by Client is enjoined, Tyler will, at its election:

- a) Procure for Client the right to continue using the infringing Tyler Software Products; or
  - b) Modify or replace the infringing Tyler Software Products so that it becomes non-infringing.
- ii. The foregoing states Tyler's entire liability and Client's sole and exclusive remedy with respect to the subject matter hereof.

## **SECTION B – PROFESSIONAL SERVICES**

1. Services. Tyler shall provide the services set forth in the Investment Summary at Client's election, including Consulting, Training, Conversion, and other miscellaneous Services.
2. Expenses. Tyler will invoice Client for expenses in accordance with the then-current Tyler Business Travel Policy, based on Tyler's usual and customary practices. Notwithstanding the foregoing, Tyler will not alter the Tyler Business Travel Policy attached hereto as Exhibit 4 during the twenty-four (24) month period commencing upon the Effective Date. Copies of receipts will be provided on an exception basis at no charge. Should all receipts for non per diem expenses be requested, an administrative fee will be incurred. Receipts for mileage and miscellaneous items less than five dollars (\$5) are not available.
3. Additional Services.
  - a. Training and/or consulting services utilized in excess of those set forth in the Investment Summary and additional related services not set forth in the Investment Summary will be billed at the rate of \$1,175 per day through eighteen (18) months from the Effective Date and thereafter at Tyler's then-current rates. Tyler shall not provide and Client shall not be liable for additional services without Client's prior written approval.
  - b. Programming and/or interface quotes are estimates based on Tyler's understanding of the specifications supplied by Client. In the event Client requires additional work performed above the specifications provided, Tyler will submit to Client an amendment containing an estimate of the charges for the additional work.
4. Cancellation. In the event Client cancels services less than two (2) weeks in advance, Client is liable to Tyler for (i) all non-refundable expenses incurred by Tyler on Client's behalf; and (ii) Tyler's then-current daily fees it charges to Client's obtaining such services if Tyler is unable to re-assign its personnel.
5. Services Warranty. Tyler warrants that it shall perform services in a professional, workmanlike manner, consistent with industry standards. In the event Tyler provides services that do not conform to this warranty, Tyler will re-perform the services at no additional cost to Client.

## **SECTION C – MAINTENANCE**

1. Scope of Agreement. Client agrees to purchase and Tyler agrees to provide maintenance services for the Tyler Software Products in accordance with the following terms and conditions.
2. Additional Charges. Any maintenance services performed by Tyler for Client which are not covered by this SaaS Agreement, (see Limitations and Exclusions *infra*), including materials and expenses, will be billed to Client at Tyler's then current rates. Tyler shall not provide and Client shall not be liable for additional services without Client's prior written approval.
3. Maintenance Services Terms and Conditions. For as long as a current SaaS Agreement is in place, Tyler

shall:

- a) In a professional, good and workmanlike manner, perform its obligations in accordance with Tyler's then-current support call process (Tyler's current support call process is set forth in the document attached hereto as Exhibit 3) in order to conform the Tyler Software Products to the applicable warranty under this Agreement. If Client modifies the Tyler Software Products without Tyler's prior written consent, Tyler's obligations to provide maintenance services on and warrant the Tyler Software Products will be void.
- b) Provide telephone support on the Tyler Software Products. Tyler personnel shall accept telephone calls during the hours set forth in Exhibit 3 - Support Call Process.
- c) Continuously maintain a master set of the Tyler Software Products on appropriate media, a hardcopy printout of source code to the Tyler Software Products, and Tyler User Guides.
- d) Maintain personnel that are appropriately trained to be familiar with the Tyler Software Products in order to provide maintenance services.
- e) Provide Client releases of the Tyler Software Products that Tyler makes generally available without additional charge to customers possessing a current Tyler SaaS Agreement. If required by Client, Third Party Products, Consulting and Training services related to the new releases will be provided to Client at Tyler's then-current prices. Client acknowledges and agrees that a new release of the Tyler Software Products is for implementation in the Tyler Software Products as they exist without Client customization or modification.
- f) Support prior releases of the Tyler Software Products in accordance with Tyler's then-current release life cycle policy.
- g) Incorporate modifications to and interfaces from the Tyler Software Products developed by Tyler into future releases of the Tyler Software Products.

4. Limitations and Exclusions. Maintenance fees do not include installation or implementation of the Tyler Software Products, onsite support, application design, other consulting services, and support outside Tyler's normal business hours.

5. Access to Environment.

Client shall provide, at no charge to Tyler, full and free access to the Tyler Software Products hosted by Tyler in order, when necessary, to provide maintenance services set forth herein.

## **SECTION D – THIRD PARTY PRODUCTS**

1. Agreement to License or Sell Third Party Products. For the price set forth in the Investment Summary, Tyler agrees to license or sell and deliver to Client, and Client agrees to accept from Tyler the System Software and Hardware set forth in the Investment Summary (collectively, the "Third Party Products").

2. License of System Software.

- a) Upon Client's payment in full of the System Software fees, Tyler shall grant to Client and Client shall accept from Tyler a non-exclusive, nontransferable, non-assignable license to use the System Software and related documentation for Client's internal business purposes, subject to the terms and conditions set forth herein.
- b) The developer of the System Software (each a "Developer", collectively "Developers") shall retain ownership of the System Software.
- c) The right to transfer the System Software to a replacement hardware system, if such System Software is installed on Client owned hardware, is governed by the Developer. The cost for new media or any required technical assistance to accommodate the transfer would be billable charges to Client. Client shall provide advance written notice to Tyler of any such transfer.
- d) Client shall use best efforts to prevent any misuse, unauthorized use, or unauthorized disclosure of the System Software and related documentation by any party.
- e) Client shall not perform decompilation, disassembly, translation or other reverse engineering on the System Software.
- f) Client may make copies of the System Software if installed on Client hardware, but such copies shall be for

archive purposes only. Client shall repeat any and all proprietary notices on any copy of the System Software. Client may make copies of the documentation accompanying the System Software for internal use only.

3. Delivery. Unless otherwise indicated in the Investment Summary, the prices for Third Party Products include costs for shipment while in transit from the Developer or supplier to Client.

4. Installation and Acceptance. Unless otherwise noted in the Investment Summary, the Tyler Software Product installation fee includes installation of the Third Party Products. Upon completion of installation, Client will obtain from Tyler a certification of completion, or similar document, which will constitute Client's acceptance of the Third Party Products. Such acceptance will be final and conclusive except for latent defect, fraud, and a gross mistake as amount to fraud.

5. Site Requirements. Client shall provide a suitable environment, location and space for the installation and operation of the Third Party Products being installed on Client premises; sufficient and adequate electrical circuits for the Third Party Products; and installation of all required cables.

6. Warranties.

a) Tyler is authorized by each Developer to grant licenses or sublicenses to the System Software.

b) Tyler warrants that each System Software product will be new and unused, and if Client fully and faithfully performs each and every obligation required of it under this Third Party Product Agreement, Client's title or license to each System Software product will be free and clear of all liens and encumbrances arising through Tyler.

c) Client acknowledges and agrees that Tyler is not the manufacturer of the Third Party Products. As such, Tyler does not warrant or guarantee the condition or operating characteristics of the Third Party Products. Tyler hereby grants and passes through to Client any warranty adjustments that Tyler may receive from the Developer or supplier of the Third Party Products.

7. Maintenance.

a) In the event Client elects not to purchase through Tyler maintenance services on the System Software, it will be the responsibility of Client to repair and maintain the System Software and purchase enhancements as necessary after acceptance.

b) In the event Client elects to purchase through Tyler maintenance services on the System Software, Tyler will facilitate resolution of a defect in a System Software product with the Developer.

c) In the event the Developer charges a fee for future System Software release(s), Client will be required to pay such fee.

8. Limitation of Liability. In no event shall Tyler be liable for special, indirect, incidental, consequential, or exemplary damages, including, without limitation, any damages resulting from loss of use, loss of data, interruption of business activities, or failure to realize savings arising out of or in connection with the use of the Third Party Products. Tyler's liability for damages and expenses arising out of this Third Party Product Agreement, whether based on a theory of contract or tort, including negligence and strict liability, will be limited to the License Fee/Purchase Price of the Third Party Products paid by Client. Such prices are set in reliance upon this limitation of liability.

## **SECTION E – SOFTWARE AS A SERVICE**

1. Term. The term of this SaaS Agreement shall be July 1, 2014 through June 30, 2021 (“Term”).

2. Hosting. Tyler shall host and make available to Client the Tyler Software Products listed in the Investment Summary.

3. Concurrent Users. The SaaS fees are based on fifty (50) concurrent users. Should the number of concurrent users be exceeded, Tyler reserves the right to re-negotiate the SaaS fees based upon any resulting changes in the pricing categories.
4. SaaS Fees. The Client agrees to timely pay and Tyler Agrees to accept from Client the SaaS fees listed in the Investment Summary in accord with the requirements of this Agreement. Client acknowledges that continued access to the Tyler Software Products is contingent on Client's payments of SaaS Fees as indicated in this Agreement. If Client fails to remit the SaaS Fees as required by this Agreement, Tyler shall have the undisputed right to terminate this Agreement and deny access to the hosted applications for Client following thirty (30) days written Notice of Tyler's intent to terminate.
5. Service Level Agreement. For as long as a current SaaS Agreement is in effect, Tyler shall provide Client access to the Tyler Software Products then-licensed by Client in accordance with Tyler's then-current Service Level Agreement. The current Service Level Agreement is attached as Exhibit 2 to this SaaS Agreement.
6. Databases. Prices include test, training, and production databases.
7. Unused Services. Unused services listed in the Investment Summary will expire at the end of the initial Term.
8. Tyler Content Manager. Tyler's Hosting of Tyler Content Manager SE includes up to 50 GB in storage in Tyler's hosted environment. Should additional storage be required, it may be purchased as needed at an annual fee of \$1,000 per 100 GB.

## **SECTION F – GENERAL TERMS AND CONDITIONS**

1. Taxes. The fees set forth in the Investment Summary do not include any taxes, including, without limitation, sales, use or excise tax. All applicable taxes shall be paid by Tyler to the proper authorities and shall be reimbursed by Client to Tyler. In the event Client possesses a valid direct-pay permit, Client will forward such permit to Tyler on the Effective Date. In such event, Client will be responsible for remitting all applicable taxes to the proper authorities. If tax-exempt, Client will provide Tyler with Client's tax-exempt certificate.
2. Invoice Dispute.
  - a. In the event Client believes products or services do not conform to warranties in this Agreement, Client will provide written notice to Tyler within fifteen (15) calendar days of receipt of the applicable invoice. Client is allowed an additional fifteen (15) calendar days to provide written clarification and details. Tyler will provide a written response to Client that will include either a justification of the invoice or an adjustment to the invoice. Tyler and Client will develop a plan to outline the reasonable steps to be taken by Tyler and Client to resolve any issues presented in Client's notice to Tyler. Client may only withhold payment of the amount actually in dispute until Tyler completes its action items outlined in the plan. Notwithstanding the foregoing, if Tyler is unable to complete its actions outlined in the plan because Client has not completed its action items outlined in the plan, Client will remit full payment of the invoice.
  - b. Any invoice not disputed as described above will be deemed accepted by Client. Tyler reserves the right to suspend delivery of all services in the event Client fails to pay an invoice not disputed as described above within sixty (60) calendar days of receipt of invoice.
3. Force Majeure; Client Assistance.

- a. "Force Majeure" is defined as an event beyond the reasonable control of a party, including governmental action, war, riot or civil commotion, fire, natural disaster, labor disputes, restraints affecting shipping or credit, delay of carriers, inadequate supply of suitable materials or any other cause which could not with reasonable diligence be foreseen, controlled or prevented by the party. Neither party shall be liable for delays in performing its obligations under this Agreement to the extent that the delay is caused by Force Majeure.
- b. Force Majeure will not be allowed unless:
  - i. Within ten (10) business days of the occurrence of Force Majeure, the party whose performance is delayed thereby provides the other party or parties with written notice explaining the cause and extent thereof, as well as a request for a time extension equal to the estimated duration of the Force Majeure events.
  - ii. Within ten (10) business days after the cessation of the Force Majeure event, the party whose performance was delayed provides the other party written notice of the time at which Force Majeure ceased and a complete explanation of all pertinent events pertaining to the entire Force Majeure situation.
- c. In the event both of Tyler's data centers are inoperable due to Force Majeure, Tyler will provide Client with a copy of the object code associated with the then-current version of the Tyler Software Products, to be used by Client in accordance with the terms of this Agreement, until Tyler is able to host the Tyler Software Products.
- d. Either party will have the right to terminate this Agreement if Force Majeure suspends performance of scheduled tasks by one or more parties for a period of one hundred-twenty (120) or more days from the scheduled date of the task. This paragraph will not relieve Client of its responsibility to pay for services and goods provided to Client and expenses incurred on behalf of Client prior to the effective date of termination.
- e. In addition, Client acknowledges that the implementation of the Tyler Software Products is a cooperative process requiring the time and resources of Client personnel. Client shall, and shall cause Client personnel to, use all reasonable efforts to cooperate with and assist Tyler as may be reasonably required to meet the project deadlines and other milestones agreed to by the parties for implementation. Tyler shall not be liable for failure to meet such deadlines and milestones when such failure is due to Force Majeure (as defined above) or to the failure by Client personnel to provide such cooperation and assistance (either through action or omission).

4. Indemnification & Limitation of Liability.

- a. Tyler shall indemnify and hold harmless Client and its agents, officials and employees from and against any and all direct claims, losses, liabilities, damages, costs and expenses (including reasonable attorney's fees and costs) for personal injury or property damage arising from Tyler's negligence or willful misconduct.
- b. Client shall indemnify and hold harmless Tyler and its agents, officials and employees from and against any and all direct claims, losses, liabilities, damages, costs and expenses (including reasonable attorney's fees and costs) for personal injury or property damage arising from Client's negligence or willful misconduct.
- c. **Limitation of Liability.** In no event shall Tyler be liable for special, indirect, incidental, consequential or exemplary damages, including without limitation any damages resulting from loss of use, loss of data, interruption of business activities or failure to realize savings arising out of or in connection with the use of the Tyler Software Products. In no event, shall Tyler be liable for damages in excess of one and one half (1.5) times the amounts paid by Client for the SaaS fees identified in the Investment Summary and paid by Client. This limitation applies to

all causes of action in the aggregate, including without limitation breach of warranty, negligence, strict liability and misrepresentation and other torts. The fees herein reflect and are set in reliance upon this allocation of risk and the exclusion of such damages as set forth in this Agreement. The foregoing limitation of liability is not applicable to 3rd party products. See section D (“Third Party Products”) for the limitation of liability applicable to 3rd party products.

5. Disclaimer. THE RIGHTS, REMEDIES, AND WARRANTIES SET FORTH IN THIS SaaS AGREEMENT ARE EXCLUSIVE AND IN LIEU OF ALL OTHER RIGHTS, REMEDIES, AND WARRANTIES EXPRESSED, IMPLIED, OR STATUTORY, INCLUDING, WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND SYSTEM INTEGRATION, WHICH ARE HEREBY DISCLAIMED BY TYLER.
6. Dispute Resolution. Client will notify Tyler in writing within fifteen (15) days of becoming aware of a dispute. If Tyler and Client cannot resolve such dispute within thirty (30) calendar days of Tyler's receipt of written notice from Client, the following procedure will apply:
  - a. Each party shall appoint one (1) person to act as an impartial representative. The appointed individual will be of sufficient knowledge and experience to understand and deal with the dispute but will not be a person assigned to the project. The set of four (4) individuals consisting of Tyler's Project Manager for this project, Client's Project Manager for this project, and the two (2) appointees is called a Dispute Resolution Group.
  - b. The Dispute Resolution Group shall convene no later than twenty-one (21) calendar days after the expiration of the thirty (30) calendar day period referenced above and shall meet for a maximum of four (4) four (4) hour sessions during the subsequent four (4) business days, unless otherwise mutually agreed. Any resolution will be in writing and signed by both parties. Such resolution will constitute a binding amendment to the Agreement.

In the event the Dispute Resolution Group fails to resolve the dispute as set forth above, the dispute will be referred to non-binding mediation. Thereafter, either party may assert its other rights and remedies under this Agreement within a court of competent jurisdiction.

All meetings and discussions of the Dispute Resolution Group will be deemed confidential settlement discussions not subject to disclosure under Federal Rule of Civil Procedure 408 or any similar applicable state rule.

Nothing in this Article will prevent a party from applying to a federal or state court of competent jurisdiction to obtain injunctive relief pending resolution of the dispute through the dispute resolution procedures set forth herein.

7. No Intended Third Party Beneficiaries. This Agreement is entered into solely for the benefit of Tyler and Client. No third party will be deemed a beneficiary of this Agreement, and no third party will have the right to make any claim or assert any right under this Agreement.
8. Governing Law. This Agreement will be governed by and construed in accordance with the laws of Client's state of domicile.
9. Entire Agreement. This Agreement represents the entire agreement of Client and Tyler with respect to the subject matter hereof, and supersedes any prior agreements, understandings, and representations, whether written, oral, expressed, implied, or statutory. Client hereby acknowledges that in entering into this Agreement it did not rely on any information not explicitly set forth in this Agreement.

10. Severability. If any term or provision of this Agreement or the application thereof, to any extent, be held invalid or unenforceable, the remainder of this Agreement or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable will not be affected thereby, and each term and provision of this Agreement will be valid and enforced to the fullest extent permitted by law.
11. No Waiver. In the event that the terms and conditions of this Agreement are not strictly enforced by Tyler or Client, such non-enforcement shall not act as or be deemed to act as a waiver or modification of this Agreement, nor shall such non-enforcement prevent Tyler or Client from enforcing each and every term of this Agreement thereafter.
12. Multiple Originals and Signatures. This Agreement may be executed in multiple originals, any of which shall be independently treated as an original document. Any electronic, faxed, scanned, photocopied or similarly reproduced signature on this Agreement or any amendment hereto shall be deemed an original signature and shall be fully enforceable as if an original signature.
13. Amendment. This Agreement may only be modified by written amendment signed by authorized representatives of both parties.
14. Non-Appropriation & Termination. If Client should not appropriate or otherwise make available funds sufficient to pay the SaaS fees for the Tyler Software Products set forth in this Agreement, Client may unilaterally terminate this Agreement only upon thirty (30) days written notice to Tyler.

Client may terminate this Agreement for cause in the event Tyler does not cure a material breach of this Agreement within thirty (30) days of receiving notice of such breach from Client.

Upon any termination of this SaaS, Client shall pay Tyler for all services and products delivered and expenses incurred prior to the date Tyler received Client's notice of termination. Additionally, in the event Client terminates this SaaS Agreement prior to the end of the initial Term, except for termination by Client due to Tyler's failure to cure a material breach of this Agreement within thirty (30) days of receiving notice of such breach from Client, Client shall remit to Tyler fees in accord with the following schedule:

- Termination within one (1) year of the Term start date: eighty-five percent (85%) of the quarterly SaaS fees, beginning upon the date of termination and ending on the end date of the initial Term, that would have been payable had the Client not terminated the Agreement;
- Termination between the one (1) year and two (2) year anniversaries of the Term start date: sixty percent (60%) of the quarterly SaaS fees, beginning upon the date of termination and ending on the end date of the initial Term, that would have been payable had the Client not terminated the Agreement;
- Termination between the two (2) year and three (3) year anniversaries of the Term start date: forty-five percent (45%) of the quarterly SaaS fees, beginning upon the date of termination and ending on the end date of the initial Term, that would have been payable had the Client not terminated the Agreement;
- Termination between the three (3) year and four (4) year anniversaries of the Term start date: thirty percent (30%) of the quarterly SaaS fees, beginning upon the date of termination and ending on the end date of the initial Term, that would have been payable had the Client not terminated the Agreement;
- Termination between the four (4) year and five (5) year anniversaries of the Term start date: fifteen percent (15%) of the quarterly SaaS fees, beginning upon the date of termination and ending on the end date of the initial Term, that would have been payable had the Client not

- terminated the Agreement;
- Termination after five (5) years from the Term start date: No additional fee.

Payment for services and expenses in dispute will be determined in accordance with the dispute resolution process.

15. Approval of Governing Body. Client represents and warrants to Tyler that this Agreement has been approved by its governing body and is a binding obligation upon Client.
16. No Assignment. Client may not assign its rights and responsibilities under this Agreement without Tyler's prior written permission, not to be unreasonably withheld.
17. Successors and Assigns. This Agreement shall inure to the benefit of and be binding on the parties hereto and their permitted successors and assigns.
18. Notices. All notices or communications required or permitted as a part of this Agreement will be in writing (unless another verifiable medium is expressly authorized) and will be deemed delivered when:
  - a. Actually received,
  - b. Upon receipt by sender of a certified mail, return receipt signed by an employee or agent of the party,
  - c. Upon receipt by sender of proof of email delivery, or
  - d. If not actually received, ten (10) days after deposit with the United States Postal Service authorized mail center with proper postage (certified mail, return receipt requested) affixed and addressed to the respective other party at the address set forth in this Agreement or such other address as the party may have designated by notice or Agreement amendment to the other party.

Consequences to be borne due to failure to receive a notice due to improper notification by the intended receiving party of a new address will be borne by the intended receiving party. The addresses of the parties to this Agreement are as follows:

Tyler Technologies, Inc.  
1 Tyler Drive  
Yarmouth, ME 04096  
Attention: Associate General Counsel

City of Tracy  
333 Civic Center Plaza  
Tracy, CA 95376  
Attention: Administrative Services Director

With a copy to:

City of Tracy  
333 Civic Center Plaza  
Tracy, CA 95376  
Attention: City Attorney

19. Independent Contractor. This is not an agreement of partnership or employment of Tyler or any of Tyler's employees by Client. Tyler is an independent contractor for all purposes under this Agreement.
20. Insurance. Prior to performing services under this Agreement, Tyler shall provide Client with certificates of insurance evidencing the following insurance coverage:
  - a. Commercial general liability of at least \$1,000,000 per occurrence and \$2,000,000 general aggregate;
  - b. Automobile liability of at least \$1,000,000;
  - c. Professional liability of at least \$4,000,000;
  - d. Workers compensation complying with California statutory benefits; and
  - e. Umbrella liability of at least \$1,000,000 per occurrence and \$2,000,000 general aggregate.

21. Confidentiality. Both parties recognize that their respective employees and agents, in the course of performance of this Agreement, may be exposed to confidential information and that disclosure of such information could violate rights to private individuals and entities. Each party agrees that it shall not disclose any confidential information of the other party and further agrees to take appropriate action to prevent such disclosure by its employees or agents. The confidentiality covenants contained herein will survive the termination or cancellation of this Agreement for a period of two (2) years. This obligation of confidentiality will not apply to information that:
- a. At the time of the disclosure is in the public domain;
  - b. After disclosure, becomes part of the public domain by publication or otherwise, except by breach of this Agreement by a party;
  - c. A party can establish by reasonable proof was in that party's possession at the time of disclosure;
  - d. A party receives from a third party who has a right to disclose it to that party; or
  - e. Is subject to California Public Records Act requests, only to the extent disclosure is based on the good faith written opinion of Client's legal counsel that disclosure is required by law, provided, however, that Client shall give prompt notice to Tyler of the service of process or other documentation that underlies such requirement. Tyler reserves the right to obtain protective order or otherwise protect the confidentiality of its confidential information.
22. Nondiscrimination. Tyler shall not discriminate against any person employed or applying for employment concerning the performance of Tyler's responsibilities under this Agreement. This discrimination prohibition will apply to all matters of initial employment, tenure, and terms of employment, or otherwise with respect to any matter directly or indirectly relating to employment concerning race, color, religion, national origin, age, sex, sexual orientation, ancestry, disability that is unrelated to the individual's ability to perform the duties of a particular job or position, height, weight, marital status, or political affiliation.
23. Subcontractors. Tyler shall not subcontract any services under this Agreement without Client's prior written permission, not to be unreasonably withheld.
24. Shipping. Delivery will be F.O.B. shipping point.
25. Business License. In the event a local business license is required for Tyler to perform services hereunder, Client will notify Tyler prior to the Effective Date and will provide Tyler with the necessary paperwork and/or contact information.
26. Tyler Forms Processing. The Tyler Software Product "Tyler Forms Processing" must be used in conjunction with a Hewlett Packard printer supported by Tyler for printing checks.
27. Electronic Payment. Tyler prefers to receive payments electronically. Tyler's electronic payment information is as follows:

Bank: Wells Fargo Bank, N.A.  
420 Montgomery  
San Francisco, CA 94104

ABA: 121000248

Account: 4124302472

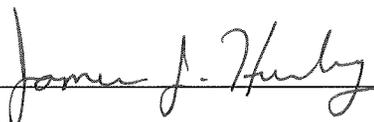
Beneficiary: Tyler Technologies Inc. – Operating

- 28. Optional Items. Pricing for optional products and services shall be valid for twenty-four (24) months from the Effective Date.
- 29. Tyler Products and Services. Client may purchase additional Tyler products and services at then-current list price, pursuant to the terms of this Agreement, by executing a mutually agreed addendum.
- 30. Payment Terms.
  - a. Payment is due within thirty (30) calendar days of invoice receipt.
  - b. Refer to Exhibit 7 for schedule of payments.
  - c. Prices do not include travel expenses incurred in accordance with Tyler's then-current Business Travel Policy. Tyler's current Business Travel Policy is attached hereto as Exhibit 4.
- 31. Use of Client's Name. Client hereby consents to use of Client's name in client lists, marketing presentations, and promotional materials, provided that the specific details about the project are not revealed.
- 32. Contract Documents. This Agreement includes the following exhibits:
  - Exhibit 1 – Investment Summary
  - Exhibit 2 – Service Level Agreement
  - Exhibit 3 – Support Call Process
  - Exhibit 4 – Business Travel Policy
  - Exhibit 5 – Adobe End User License Agreement
  - Exhibit 6 – Statement of Work
  - Exhibit 7 – Compensation
  - Exhibit 8 – OSDBA and Disaster Recovery
- 33. Cooperative Purchasing. Other federal, state, county and local entities may use the terms and conditions established by this Agreement if evidenced by separate written agreement, including pricing to be mutually agreed by Tyler and the entity; provided, however, that the City of Tracy shall not be liable for any damages arising from, or be a party to any such agreement with a third party that is not a signatory to this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the dates set forth below.

Tyler Technologies, Inc.  
ERP and Schools Division

City of Tracy

By: 

By: \_\_\_\_\_

Name: James J. Hurley

Name: \_\_\_\_\_

Title: Senior Vice President

Title: \_\_\_\_\_

Date: 5-14-14

Date: \_\_\_\_\_

Exhibit 1 - Investment Summary



Quoted By: Kyle Johnson  
 Date: 4/23/2014  
 Quote Expiration: 6/10/2014  
 Quote Name: City of Tracy-ERP-Munis  
 Quote Number: 2013-6469  
 Quote Description: City of Tracy - 7 Year SaaS Contract Investment Summary

**Sales Quotation For**  
 City of Tracy  
 333 Civic Center Plaza  
 Tracy, California 95376  
 Phone (209) 831-6000

SaaS Description	Annual Fee Net	# Years	Total SaaS Fee	Impl. Days
<b>Financials:</b>				
Accounting/GL/BG/AP	\$35,496.00	7	\$248,472.00	15
BMI Asset Track Interface	\$2,641.00	7	\$18,487.00	2
BMI CollectIT Interface	\$2,641.00	7	\$18,487.00	2
Cash Management	\$6,653.00	7	\$46,571.00	4
Contract Management	\$4,076.00	7	\$28,532.00	3
Employee Expense Reimbursement	\$4,368.00	7	\$30,576.00	4
Fixed Assets	\$8,991.00	7	\$62,937.00	5
Inventory	\$8,400.00	7	\$58,800.00	5
Project & Grant Accounting	\$7,653.00	7	\$53,571.00	4
Purchasing	\$15,459.00	7	\$108,213.00	10
Work Orders, Fleet & Facilities Management	\$13,809.00	7	\$96,663.00	15
<b>Payroll/HR:</b>				
Applicant Tracking	\$2,041.00	7	\$14,287.00	2
HR Management	\$5,574.00	7	\$39,018.00	5

Payroll w/ESS	7	\$16,013.00	\$112,091.00	13
<b>Revenue:</b>				
Accounts Receivable	7	\$8,165.00	\$57,155.00	8
Business License	7	\$9,273.00	\$64,911.00	8
Central Property File	7	\$1,650.00	\$11,550.00	1
General Billing	7	\$5,437.00	\$38,059.00	4
Maplink GIS Integration	7	\$5,091.00	\$35,637.00	1
Permits & Code Enforcement	7	\$19,950.00	\$139,650.00	18
Tyler Cashiering	7	\$13,173.00	\$92,211.00	5
UB Interface	7	\$5,418.00	\$37,926.00	3
Utility Billing CIS	7	\$21,265.00	\$148,855.00	19
<b>Productivity:</b>				
Citizen Self Service	7	\$6,520.00	\$45,640.00	1
eProcurement	7	\$5,948.00	\$41,636.00	1
IVR Gateway	7	\$4,133.00	\$28,931.00	3
Munis Analytics & Reporting (SaaS)	7	\$17,162.00	\$120,134.00	0
Transparency Portal	7	\$15,000.00	\$105,000.00	0
Tyler Content Manager SE	7	\$12,366.00	\$86,562.00	4
Tyler Forms Processing	7	\$5,622.00	\$39,354.00	0
<b>Other:</b>				
CAFR Statement Builder	7	\$8,561.00	\$59,927.00	3
<b>TOTAL:</b>		<b>\$298,549.00</b>	<b>\$2,089,843.00</b>	<b>168</b>

Other Services	Description	Quantity	Unit Price	Unit Discount	Extended Price
	Additional Training (End-User/ Senior Mgmt.)	20	\$1,175.00	\$0.00	\$23,500.00
	AP/PR Check Recon Import	1	\$1,000.00	\$0.00	\$1,000.00
	AP Positive Pay Export Format	1	\$3,000.00	\$0.00	\$3,000.00
	Estimated Travel Expenses	1	\$82,093.00	\$0.00	\$82,093.00

**Other Services**

Description	Quantity	Unit Price	Unit Discount	Extended Price
Munis Admin & Security	2	\$1,175.00	\$0.00	\$2,350.00
POS Cash Installation (Up to 3)	1	\$1,000.00	\$0.00	\$1,000.00
Project Planning Services	1	\$6,000.00	\$0.00	\$6,000.00
PR Positive Pay Export Format	1	\$3,000.00	\$0.00	\$3,000.00
Tyler Forms Library - Business License	1	\$1,400.00	\$0.00	\$1,400.00
Tyler Forms Financial Library	1	\$1,800.00	\$0.00	\$1,800.00
Tyler Forms Library - General Billing	1	\$2,000.00	\$0.00	\$2,000.00
Tyler Forms Library - Payroll	1	\$1,200.00	\$0.00	\$1,200.00
Tyler Forms Library - Permits	1	\$3,000.00	\$0.00	\$3,000.00
Tyler Forms Library - Personnel Action	1	\$1,000.00	\$0.00	\$1,000.00
Tyler Forms Processing Configuration	1	\$2,000.00	\$0.00	\$2,000.00
Tyler Forms Library - Utility Billing	1	\$4,500.00	\$0.00	\$4,500.00
Tyler Forms Work Order/Pick Ticket Library - 4 Forms	1	\$2,400.00	\$0.00	\$2,400.00
Tyler PO Distribution - Level 1	1	\$500.00	\$0.00	\$500.00
VPN Device	1	\$4,000.00	\$0.00	\$4,000.00
<b>TOTAL:</b>				<b>\$145,743.00</b>

**3rd Party Hardware, Software and Services**

Description	Quantity	Unit Price	Unit Discount	Total Price	Unit Maintenance	Unit Maintenance Discount	Total Year One Maintenance
BMI AssetTrak Additional Barcode/RFID Data Terminal (MC3190Z)	1	\$3,895.00	\$0.00	\$3,895.00	\$0.00	\$0.00	\$0.00
BMI AssetTrak FA Bar Code/RFID Scanning System	1	\$8,030.00	\$0.00	\$8,030.00	\$0.00	\$0.00	\$0.00
BMI CollectIT Additional Barcode Data Terminal (PA690)	1	\$3,495.00	\$0.00	\$3,495.00	\$0.00	\$0.00	\$0.00
BMI CollectIT Barcode PrinterKit	1	\$1,295.00	\$0.00	\$1,295.00	\$0.00	\$0.00	\$0.00
BMI CollectIT Inventory Bar Code Scanning System	1	\$6,500.00	\$0.00	\$6,500.00	\$0.00	\$0.00	\$0.00

**3rd Party Hardware, Software and Services**

Description	Quantity	Unit Price	Unit Discount	Total Price	Unit Maintenance	Unit Maintenance Discount	Total Year One Maintenance
BMI Transtrak Fixed Asset Receiving System	1	\$3,345.00	\$0.00	\$3,345.00	\$0.00	\$0.00	\$0.00
Cash Drawer	4	\$230.00	\$0.00	\$920.00	\$0.00	\$0.00	\$0.00
Hand Held Scanner - Model 1900GSR	4	\$385.00	\$0.00	\$1,540.00	\$0.00	\$0.00	\$0.00
Hand Held Scanner Stand	4	\$25.00	\$0.00	\$100.00	\$0.00	\$0.00	\$0.00
ID Tech MiniMag USB Reader	4	\$62.00	\$0.00	\$248.00	\$0.00	\$0.00	\$0.00
Power Supply	4	\$40.00	\$0.00	\$160.00	\$0.00	\$0.00	\$0.00
Printer (TM-S9000)	4	\$1,600.00	\$0.00	\$6,400.00	\$0.00	\$0.00	\$0.00
Tyler Secure Signature System with 2 Keys	1	\$1,650.00	\$0.00	\$1,650.00	\$0.00	\$0.00	\$0.00
<i>3rd Party Hardware Sub-Total:</i>				\$37,578.00			\$0.00
<b>TOTAL:</b>				<b>\$37,578.00</b>			<b>\$0.00</b>

**Summary**

Total SaaS	\$298,549.00	<b>Recurring Fees</b>	\$298,549.00
Total Tyler Software	\$0.00	<b>One Time Fees</b>	\$0.00
Total Tyler Services	\$145,743.00		\$0.00
Total 3rd Party Hardware, Software and Services	\$37,578.00		\$0.00
<b>Summary Total</b>	<b>\$298,549.00</b>		

**Contract Total**

**\$2,273,164.00**

**Detailed Breakdown of Conversions (included in Contract Total)**

Description	Unit Price	Unit Discount	Extended Price
Accounting Opt 1 - Actuals - D	\$0.00	\$0.00	\$0.00
Accounting Opt 2 - Budgets - D	\$0.00	\$0.00	\$0.00
Accounting Standard COA - D	\$0.00	\$0.00	\$0.00
Accounts Payable Opt 1 - Checks - D	\$0.00	\$0.00	\$0.00
Accounts Payable Opt 2 - Invoice - D	\$0.00	\$0.00	\$0.00
Accounts Payable Standard Master - D	\$0.00	\$0.00	\$0.00
Business License Opt 1 - Bills - D	\$0.00	\$0.00	\$0.00
Business License Std Master - D	\$0.00	\$0.00	\$0.00
Fixed Assets Opt 1 - History - D	\$0.00	\$0.00	\$0.00
Fixed Assets Std Master - D	\$0.00	\$0.00	\$0.00
General Billing Opt 1 - Recurring Invoices - D	\$0.00	\$0.00	\$0.00
General Billing Opt 2 - Bills - D	\$0.00	\$0.00	\$0.00
General Billing Std CID - D	\$0.00	\$0.00	\$0.00
Inventory Opt 1 - Commodity Codes - D	\$0.00	\$0.00	\$0.00
Inventory Std Master - D	\$0.00	\$0.00	\$0.00
Payroll - Option 10 Certifications - B	\$0.00	\$0.00	\$0.00
Payroll - Option 11 Education - B	\$0.00	\$0.00	\$0.00
Payroll - Option 1 Deductions - B	\$0.00	\$0.00	\$0.00
Payroll - Option 2 Accrual Balances - B	\$0.00	\$0.00	\$0.00
Payroll - Option 3 Accumulators - B	\$0.00	\$0.00	\$0.00
Payroll - Option 4 Check History - B	\$0.00	\$0.00	\$0.00
Payroll - Option 5 Earning/Deduction Hist - B	\$0.00	\$0.00	\$0.00
Payroll - Option 6 Applicant Tracking - B	\$0.00	\$0.00	\$0.00
Payroll - Option 7 PM Action History - B	\$0.00	\$0.00	\$0.00
Payroll - Option 8 Position Control - B	\$0.00	\$0.00	\$0.00
Payroll - Option 9 State Retirement Tables - B	\$0.00	\$0.00	\$0.00
Payroll - Standard - B	\$0.00	\$0.00	\$0.00

**Detailed Breakdown of Conversions (included in Contract Total)**

Description	Unit Price	Unit Discount	Extended Price
Permits and Code Enforcement - Option 1 - D	\$0.00	\$0.00	\$0.00
Permits and Code Enforcement - Option 2 - D	\$0.00	\$0.00	\$0.00
Permits and Code Enforcement - Option 3 - D	\$0.00	\$0.00	\$0.00
Permits and Code Enforcement - Standard - D	\$0.00	\$0.00	\$0.00
Project Grant Accounting Opt 1 - Actuals - D	\$0.00	\$0.00	\$0.00
Project Grant Accounting Opt 2 - Budgets - D	\$0.00	\$0.00	\$0.00
Project Grant Accounting Standard - D	\$0.00	\$0.00	\$0.00
Purchasing - Purchase Orders - Standard - D	\$0.00	\$0.00	\$0.00
Utility Billing - Option 1 Services - D	\$0.00	\$0.00	\$0.00
Utility Billing - Option 2 Assessments - D	\$0.00	\$0.00	\$0.00
Utility Billing - Option 3 Consumption History - D	\$0.00	\$0.00	\$0.00
Utility Billing - Option 4 Balance Forward AR - D	\$0.00	\$0.00	\$0.00
Utility Billing - Option 5 Service Orders - D	\$0.00	\$0.00	\$0.00
Utility Billing - Option 6 Backflow - D	\$0.00	\$0.00	\$0.00
Utility Billing - Standard - D	\$0.00	\$0.00	\$0.00
Work Order Opt 1 - Work Order Asset - D	\$0.00	\$0.00	\$0.00
Work Order Opt 2 - Closed Work Order History No Cost Data - D	\$0.00	\$0.00	\$0.00
Work Order Opt 3 - Work Order History With Cost Data - D	\$0.00	\$0.00	\$0.00
<b>TOTAL:</b>			<b>\$0.00</b>

**Optional SaaS**

Description	Annual Fee Net	# Years	Total SaaS Fee	Impl. Days
<b>Financial:</b>				
Bid Management	\$4,133.00	7	\$28,931.00	3
<b>TOTAL:</b>	<b>\$4,133.00</b>		<b>\$28,931.00</b>	<b>3</b>

**Optional Tyler Software & Related Services**

Description	License	Impl. Days	Impl. Cost	Data Conversion	Module Total	Year One Maintenance
<b>Productivity:</b>						
Tyler Content Manager Enterprise	\$38,000.00	10 @ \$1,175.00	\$11,750.00	\$0.00	\$49,750.00	\$6,840.00
<b>TOTAL:</b>	<b>\$38,000.00</b>	<b>10</b>	<b>\$11,750.00</b>	<b>\$0.00</b>	<b>\$49,750.00</b>	<b>\$6,840.00</b>

**Optional Other Services**

Description	Quantity	Unit Price	Discount	Extended Price
P-Card Import Format W/Encumbrances	1	\$15,000.00	\$0.00	\$15,000.00
P-Card Import Format W/O Encumbrances	1	\$7,500.00	\$0.00	\$7,500.00
<b>TOTAL:</b>				<b>\$22,500.00</b>

Unless otherwise indicated in the contract or Amendment thereto, pricing for optional items will be held for six (6) months from the Quote date or the Effective Date of the Contract, whichever is later.

Customer Approval: \_\_\_\_\_ Date: \_\_\_\_\_  
 Print Name: \_\_\_\_\_ P.O. #: \_\_\_\_\_

All primary values quoted in US Dollars

## Comments

Tyler recommends the use of a 128-bit SSL Security Certificate for any Internet Web Applications, such as the MUNIS Web Client and the MUNIS Self Service applications if hosted by the Client. This certificate is required to encrypt the highly sensitive payroll and financial information as it travels across the public internet. There are various vendors who sell SSL Certificates, with all ranges of prices.

Conversion prices are based on a single occurrence of the database. If additional databases need to be converted, these will need to be quoted.

Tyler's quote contains estimates of the amount of services needed, based on our preliminary understanding of the size and scope of your project. The actual amount of services depends on such factors as your level of involvement in the project and the speed of knowledge transfer.

Unless otherwise noted, prices submitted in the quote do not include travel expenses incurred in accordance with Tyler's then-current Business Travel Policy.

Tyler's prices do not include applicable local, city or federal sales, use excise, personal property or other similar taxes or duties, which you are responsible for determining and remitting.

In the event Client cancels services less than two (2) weeks in advance, Client is liable to Tyler for (i) all non-refundable expenses incurred by Tyler on Client's behalf; and (ii) daily fees associated with the cancelled services if Tyler is unable to re-assign its personnel.

Pricing for optional items will be held for six (6) months from the quote date.

Tyler provides onsite training for a maximum of 12 people per class. In the event that more than 12 users wish to participate in a training class or more than one occurrence of a class is needed, Tyler will either provide additional days at then-current rates for training or Tyler will utilize a Train-the-Trainer approach whereby the client designated attendees of the initial training can thereafter train the remaining users.

In the event Client acquires from Tyler any edition of Tyler Content Manager software other than Enterprise Edition, the license for Content Manager is restricted to use with Tyler applications only. If Client wishes to use Tyler Content Manager software with non-Tyler applications, Client must purchase or upgrade to Tyler Content Manager Enterprise Edition.

Tyler's form library prices are based on delivering the specific form quantities listed below. Additional formats of forms listed below are extra. Custom forms are extra. Please note that Tyler Forms requires the use of approved printers only. Contact Tyler support for the list of approved printers.

Financial library includes: 1 A/P check, 1 EFT/ACH, 1 Purchase order, 1 Contract, 1099M, 1099INT, 1099S, and 1099G.

General Billing library includes: 1 invoice, 1 statement, 1 general billing receipt and 1 miscellaneous receipt.

Utility billing library includes: 1 Utility bill, 1 assessment, 1 UB receipt, 1 Lien letter, 1 UB delinquent notice, 1 door hanger and 1 final utility bill.

Permits library includes: 1 Building permit, 1 Trades permit, 1 Zoning permit and 1 certificate of occupancy/completion.

Business license library includes: 1 business license and 1 renewal application.

Programming for check reconciliation import and positive pay export assumes one bank format each. Multiple bank formats are extra.

Includes digitizing two signatures, additional charges will apply for additional signatures.

## Comments

Project Management includes project planning, kickoff meeting, status calls, task monitoring, verification and transition to support.

Tyler Forms Payroll Core library includes: 1 PR check, 1 direct deposit, 1 vendor from payroll check, 1 vendor from payroll direct deposit, W2, W2c, and 1099 R.

Personnel Actions Forms Library includes: 1 Personnel Action form - New and 1 Personnel Action Form - Change.

Work Order & Pick Ticket Library includes: 1 Work Order - Services, 1 Work Order - Inventory, 1 Pick Ticket and 1 Delivery Ticket.

Tyler's cost is based on all of the proposed products and services being obtained from Tyler. Should significant portions of the products or services be deleted, Tyler reserves the right to adjust prices accordingly.

TCM SE includes up to 50GB of storage. Should additional storage be needed it may be purchased as needed at an annual fee of \$1,000 per 100GB with a total cap of storage at 750GB.

AssetTrak PPC Software, MC3190Z Portable Data terminal, Integrated RFID reader & Laser scanner, USB Com/Charging cradle w/ps, PDT Users Licenses for TrakSync and AssetTrak PPC Includes: 1 year phone support & software upgrades, Up to 4 hours of remote Install/training via GoToMeeting.

Additional Scanner, MC3190Z, 48 key, SDIO with program settings, Integrated Laser & RFID reader, Battery, USB com-charging cradle w/ps, AssetTrak PPC & TrakSync PDT Users Licenses.

The MUNIS Accounts Payable module utilizes a label printer for batch-scanned document indexing. This printer is to be provided by the client and must support multi-page Adobe PDF files, such as the Brother QL-700.

## Exhibit 2

### Service Level Agreement

#### I. Agreement Overview

This Service Level Agreement (“SLA”) operates in conjunction with, and does not supersede or replace any part of, the SaaS Agreement.

This SLA outlines the information technology service levels that Tyler will provide to Client to ensure the availability of the application services that the Client has contracted with Tyler to provide. All other Client support services are documented in the Support Call Process exhibit to the SaaS Agreement.

#### II. Definitions

*Attainment:* The percentage of time a service is available during a billing cycle, with percentages rounded to the nearest whole number.

*Client Error Incident:* Any service unavailability resulting from a Client’s applications, content or equipment, or the acts or omissions of any of Client’s service users or Client’s third-party providers over whom Tyler exercises no control.

*Defect:* Any failure of the licensed software that is recognized as a "defect" under the agreement through which Client licenses the Tyler software.

*Downtime:* Those minutes during which the software products set forth in the SaaS Agreement are not available for any type of Client use. Downtime does not include those instances in which only a Defect is present.

*Force Majeure:* An event beyond the reasonable control of Tyler, including governmental action, war, riot or civil commotion, fire, natural disaster, or any other cause which could not with reasonable diligence be foreseen, controlled, or prevented by the party.

*Service Availability:* The total number of minutes in a billing cycle that a given service is capable of receiving, processing, and responding to requests, excluding maintenance windows, Client Error Incidents and Force Majeure.

### III. Service Availability

The Service Availability of Tyler's applications is intended to be 24/7/365. Tyler sets Service Availability goals and measures whether it has met those goals by tracking Attainment.

#### a. Client Responsibilities

Whenever a Client experiences Downtime, that Client must make a support call according to the procedures outlined in the Support Call Process exhibit. The Client will receive a support incident number. To track attainment, the Client must document, in writing, all Downtime that it has experienced during a billing cycle. The Client must deliver such documentation to Tyler within 30 days of a billing cycle's end. The documentation the Client provides must evidence the Downtime clearly and convincingly. It must include, for example, the support incident number(s) and the date, time and duration of the Downtime(s).

#### b. Tyler Responsibilities

When Tyler's support team receives a call from a Client that a Downtime has occurred or is occurring, Tyler will work with the Client to identify the cause of the Downtime (including whether it may be the result of a Client Error Incident or Force Majeure). Tyler will also work with the Client to resume normal operations. Upon timely receipt of a Client's Downtime report, outlined above in Section III(a), Tyler will compare that report to Tyler's own outage logs and support tickets to confirm that a Downtime for which Tyler was responsible indeed occurred. Tyler will respond to a Client's Downtime report within 30 day(s) of receipt. To the extent Tyler has confirmed Downtime for which Tyler is responsible, Tyler will provide Client with the relief set forth below.

#### c. Client Relief

When a Service Availability goal is not met due to confirmed Downtime, Tyler will provide the affected Client with relief that corresponds to the percentage amount by which that goal was not achieved, as set forth in the Client Relief Schedule below.

Notwithstanding the above, the total amount of all relief that would be due under this SLA will not exceed 5% of the fee for any one billing cycle. Issuing of such credit does not relieve Tyler of its obligations under the SaaS Agreement to correct the problem which created the service interruption. A correction may occur in the billing cycle following the service interruption. In that circumstance, if service levels do not meet the corresponding goal for that later billing cycle, Client's credits will be doubled.

Every billing cycle, Tyler will compare confirmed Downtime to Service Availability. In the event actual Attainment does not meet the targeted Attainment, the following Client relief will apply:

#### Client Relief Schedule

<b>Targeted Attainment</b>	<b>Actual Attainment</b>	<b>Client Relief</b>
100%	98-99%	Remedial action will be taken.
100%	95-97%	4% credit of fee for affected billing cycle will be posted to next billing cycle
100%	<95%	5% credit of fee for affected billing cycle will be posted to next billing cycle

A Client may request a report from Tyler that documents the preceding billing cycle's Service Availability, Downtime, any remedial actions that have been/will be taken, and any credits that may be issued.

#### **IV. Applicability**

The commitments set forth in this SLA do not apply during maintenance windows, Client Error Incidents, and Force Majeure.

Tyler performs maintenance during limited windows that are historically known to be reliably low-traffic times. If and when maintenance is predicted to occur during periods of higher traffic, Tyler will provide advance notice of those windows and will coordinate to the greatest extent possible with the Client.

#### **V. Force Majeure**

The Client will not hold Tyler responsible for meeting service levels outlined in this SLA to the extent any failure to do so is caused by Force Majeure. In the event of Force Majeure, Tyler will file with the Client a signed request that said failure be excused. That writing will at least include the essential details and circumstances supporting Tyler's request for relief pursuant to this Section. The Client will not unreasonably withhold its acceptance of such a request.

## Exhibit 3

### Support Call Process

Client Support

#### **Tyler Technical Support Department for Munis®**

*Goal: To provide an effective support mechanism that will guarantee timely resolution to calls, resulting in high-level client satisfaction.*

#### **Contact Us**

Call Tyler's toll free number (800-772-2260) or log a support request online through the Tyler Client Portal available at Tyler's Support Web site ([www.tylertech.com](http://www.tylertech.com)).

#### **Support Organization**

Tyler's Technical Support Department for Munis is divided into multiple teams: Financials, Payroll/HR/Pension, Tax/Other Revenue and Collections, Utility Billing and Collections, OS/DBA (Operating System and Database Administration), and TylerForms and Reporting Services.

These "product-specific" teams allow support staff to focus on a group of products or services. A group of specialists assigned to each team handle calls quickly and accurately.

Each team consists of a Munis Support Product Manager, Support Analysts and Technical Support Specialists. The Support Product Manager is responsible for the day-to-day operations of the team and ensures we provide exceptional technical support to our clients. The Support Analysts are responsible for assisting the team with clients' issues, and provide on-going team training. Technical Support Specialists are responsible for diagnosing and resolving client issues in a timely and courteous manner.

#### **Standard Support Hours**

<b>Applications</b>	<b>Hours</b>
Financials	8:00am-8:00pm EST Monday-Friday
Payroll/HR/Pension	8:00am-8:00pm EST Monday-Friday
Tax/Other Revenue & Collections	8:00am-6:00pm EST Monday-Friday
Utility Billing & Collections	8:00am-8:00pm EST Monday-Friday
OS/DBA	8:00am-9:00pm EST Monday-Friday
TylerForms & Reporting Services	8:00am-9:00pm EST Monday-Friday

#### **Focus on Incoming Rate**

When you call Technical Support, your call is answered by a Support Technician, or is transferred into the Support voice mail. *Our goal is to capture 75% of our daily calls incoming*, which means you will often start working with a Support Specialist immediately upon calling Tyler.

## **Leaving Messages for Support**

When leaving a message on the Support voice mail, ensure the following information is contained within the message:

- Your full name (first name, last name) and the site you are calling for/from
- A phone number where you can be reached
- The details of the issue or question you have (i.e.: program, • process, error message)
- The priority of the issue (1, 2, 3, or 4)
- When you will be available for a return call (often Support will call back within an hour of receiving your message)

## **Paging**

All client questions are important to us. There may be times when you are experiencing a priority 1 critical issue and all technicians for the requested team are on the line assisting clients. In this circumstance, it is appropriate to press 0 to be redirected to the operator. The operator will page the team you need to contact. We ask that you reserve this function for those times when Munis is down, or a mission critical application is down and you are not able to reach a technician immediately.

## **Online Support**

Some questions can be handled effectively by e-mail. Once registered as a user on Tyler's Support Web site at [www.tylertech.com](http://www.tylertech.com), you can ask questions or report issues to Support through "Customer Tools". Tyler's Client Portal (TCP) allows you to log an incident to Technical Support anytime from any Internet connection. All TCP account, incident and survey data is available in real-time.

Your existing contact information defaults when you add a new Support incident. You will be asked for required information including Incident Description, Priority, Product Group and Product Module. Unlimited work-note text is available for you to describe the question or problem in detail, plus you can attach files or screenshots that may be helpful to Support.

When a new incident is added, the incident number is presented on the screen, and you will receive an automated e-mail response that includes the incident number. The new incident is routed to the appropriate Technical Support Team queue for response. They will review your incident, research the item, and respond via e-mail according to the priority of the incident.

## **Customer Relationship Management System**

Every call or e-mail from you is logged into our Customer Relationship Management System and given a unique call number. This system tracks the history of each incident, including the person calling, time of the call, priority of the call, description of the problem, support recommendations, client feedback and resolution. For registered users on Tyler's Support Web site ([www.tylertech.com](http://www.tylertech.com)), a list of calls is available real-time under the Tyler Client Portal (TCP).

## **Call Numbers**

Support's goal is to return clients' calls as soon as possible. If you are not available when we call back, we will leave a message with the open call number on your voice mail or with a person in your office. When you call back, you can reference this call number so you do not have to re-explain the issue.

An open call number is also given to you once an initial contact has been made with Support and it has been determined that the issue can't be resolved during the initial call. The open call number lets you easily track and reference specific open issues with Support.

**Call Response Goals**

Open Call Priority	Maximum number of days a support call is open	Support managers and analysts review open calls
1	Less than a day	Daily
2	10 Days or less	Every other day
3	30 Days or less	Weekly
4	60 Days or less	Weekly

**Call Priorities**

A call escalation system is in place where, each day, Support Analysts and Product Support Managers, review open calls in their focus area to monitor progress.

Each call logged is given a priority (1, 2, 3, and 4) according to the client's needs/deadlines. The goal of this structure is to clearly understand the importance of the issue and assign the priority for closure. The client is responsible for setting the priority of the call. Tyler Support for Munis tracks responsiveness to priority 1, 2 and 3 calls each week. This measurement allows us to better evaluate overall client satisfaction.

**Priority 1 Call** — issue is critical to the client, the Munis application or process is down.

**Priority 2 Call** — issue is severe, but there is a work around the client can use.

**Priority 3 Call** — issue is a non-severe support call from the client.

**Priority 4 Call** — issue is non-critical for the client and they would like to work with Support as time permits.

**Following Up on Open Calls**

Some issues will not be resolved during the initial call with a Support Technician. If the call remains open, the technician will give you an open call number to reference, and will confirm the priority of the incident.

If you want to follow up on an open call, simply call the appropriate Support Team and reference the call number to the Technician who answers or leave this information in your message. Referencing the open call number allows anyone in support to quickly follow up on the issue. You can also update the incident through TCP on Tyler's Web site ([www.tylertech.com](http://www.tylertech.com)) and add a note requesting follow-up.

**Escalating a Support Call**

If the situation to be addressed by your open call has changed and you need to have the call priority adjusted, please call the appropriate Support Team and ask to be connected to the assigned technician. If that technician is unavailable, another technician on the team may be able to assist you, or will transfer you to the Product Support Team Manager. If you feel you are not receiving the service you need, please call the appropriate Product Manager and provide them with the open call number for which you need assistance. The Product Manager will follow up on your open issue and determine the necessary action to meet your needs.

## Technical Support Product Managers:

---

<b>Financials Team</b>	<b>Michelle Madore</b> (michelle.madore@tylertech.com)	<b>(X4483)</b>
<b>Payroll/HR/Pension Team</b>	<b>Sonja Johnson</b> (sonja.johnson@tylertech.com)	<b>(X4157)</b>
<b>Tax/Other Revenue/Utility Billing Team</b>	<b>Steven Jones</b> (steven.jones@tylertech.com)	<b>(X4255)</b>
<b>OS/DBA Team</b>	<b>Ben King</b> (ben.king@tylertech.com)	<b>(X5464)</b>
<b>TylerForms &amp; Reporting Services</b>	<b>Michele Violette</b> (michele.violette@tylertech.com)	<b>(X4381)</b>

---

*If you are unable to reach the Product Manager, please call CJ McCarron, Vice President of Technical Support at 800-772-2260, ext. 4124 ([cj.mccarron@tylertech.com](mailto:cj.mccarron@tylertech.com)).*

### Resources

A number of additional resources are available to you to provide a comprehensive and complete support experience.

**Munis Internet Updater (MIU):** Allows you to download and install critical and high priority fixes as soon as they become available.

**Release Admin Console:** Allows you to monitor and track the availability of all development activity for a particular release; right from inside Munis.

**Knowledgebase:** A fully searchable depository of thousands of documents related to Munis processing, procedures, release info, helpful hints, etc.

### Remote Support Tool

Some Support calls may require further analysis of your database or setup to diagnose a problem or to assist you with a question. GoToAssist® shares your desktop via the Internet to provide you with virtual on-site support. The GoToAssist tool from Citrix ([www.citrix.com](http://www.citrix.com)) provides a highly secure connection with 128-bit, end-to-end AES encryption. Support is able to quickly connect to your desktop and view your site's setup, diagnose problems, or assist you with screen navigation.

At the end of each GoToAssist session, there is a quick survey you should complete so we have accurate and up-to-date feedback on your Support experiences. We review the survey data in order to continually improve our Support services.

### E-mail Registration

Clients can go to our Web site and register for e-mail "groups" based on specific Munis applications. We use these groups to inform clients of issues, and to distribute helpful technical tips and updated technical documentation. The survey information allows you to update your registration at any time, and you may unregister for one or more distribution lists at any time.

**Tyler Web site**

Once you have registered as a user on Tyler's Support Web site ([www.tylertech.com](http://www.tylertech.com)), you have access to "Customer Tools" and other information such as online documentation, user forums, group training schedule/sign-up, and annual user conference updates/registration.

**Timely TCP Progress Updates**

Our technicians are committed to providing you timely updates on the progress of your open support incidents via the Tyler Client Portal. The frequency of these updates is determined by issue priority.

**Priority 1 Incidents** — Daily updates (only if phone contact is not possible)

**Priority 2 Incidents** — Weekly Updates

**Priority 3 Incidents** — Bi-weekly Updates

**Priority 4 Incidents** — Bi-weekly Updates

Updates will also be provided for any issue, regardless of priority, when action items have been completed or when there is pertinent information to share.

## Exhibit 4

### Business Travel Policy Summary

#### 1. Air Travel

##### A. Reservations & Tickets

Tyler's Travel Management Company (TMC) will provide an employee with a direct flight within two hours before or after the requested departure time, assuming that flight does not add more than three hours to the employee's total trip duration and the fare is within \$100 (each way) of the lowest logical fare. If a net savings of \$200 or more (each way) is possible through a connecting flight that is within two hours before or after the requested departure time and that does not add more than three hours to the employee's total trip duration, the connecting flight should be accepted.

Employees are encouraged to make reservations far enough in advance to take full advantage of discount opportunities. A seven day advance booking requirement is mandatory. When booking less than seven days in advance, management approval will be required.

Except in the case of international travel where a segment of continuous air travel is scheduled to exceed six hours, only economy or coach class seating is reimbursable.

##### B. Baggage Fees

Reimbursement of personal baggage charges are based on the trip duration as follows:

- Up to five days = one checked bag
- Six or more days = two checked bags

Baggage fees for sports equipment are not reimbursable.

#### 2. Ground Transportation

##### A. Private Automobile

Mileage Allowance-Business use of an employee's private automobile will be reimbursed at the current IRS allowable rate, plus out of pocket costs for tolls and parking. Mileage will be calculated by using the employee's office as the starting and ending point, in compliance with IRS regulations. Employees who have been designated a home office should calculate miles from their home.

##### B. Rental Car

Employees are authorized to rent cars only in conjunction with air travel when cost, convenience and the specific situation require their use. When renting a car for Tyler business, employees should select a "mid-size" or "intermediate" car. "Full" size cars may be rented when three or more employees are traveling together. Tyler carries leased vehicle coverage for business car rentals; additional insurance on the rental agreement should be declined.

##### C. Public Transportation

Taxi or airport limousine services may be considered when traveling in and around cities or to and from airports when less expensive means of transportation are unavailable or impractical. The actual fare plus a reasonable tip (15-18%) are reimbursable. In the case of a free hotel shuttle to the airport, tips are included in the per diem rates and will not be reimbursed separately.

D. Parking & Tolls

When parking at the airport, employees must use longer term parking areas that are measured in days as opposed to hours. Park and fly options located near some airports may also be used. For extended trips that would result in excessive parking charges, public transportation to/from the airport should be considered. Tolls will be reimbursed when receipts are presented.

3. Lodging

Tyler's TMC will select hotel chains that are well established, reasonable in price and conveniently located in relation to the traveler's work assignment. Typical hotel chains include Courtyard, Fairfield Inn, Hampton Inn and Holiday Inn Express. If the employee has a discount rate with a local hotel, the hotel reservation should note that discount and the employee should confirm the lower rate with the hotel upon arrival. Employee memberships in travel clubs such as AAA should be noted in their travel profiles so that the employee can take advantage of any lower club rates.

"No shows" or cancellation fees are not reimbursable if the employee does not comply with the hotel's cancellation policy.

Tips for maids and other hotel staff are included in the per diem rate and are not reimbursed separately.

4. Meals and Incidental Expenses

Employee meals and incidental expenses while on travel status are in accordance with the federal per diem rates published by the General Services Administration. Incidental expenses include tips to maids, hotel staff, and shuttle drivers and other minor travel expenses. Per diem rates range from \$46 to \$71. A complete listing is available at [www.gsa.gov/perdiem](http://www.gsa.gov/perdiem).

A. Overnight Travel

For each full day of travel, all three meals are reimbursable. Per diems on the first and last day of a trip are governed as set forth below.

Departure Day

Depart before 12:00 noon	Lunch and dinner
Depart after 12:00 noon	Dinner

Return Day

Return before 12:00 noon	Breakfast
Return between 12:00 noon & 7:00 p.m.	Breakfast and lunch
Return after 7:00* p.m.	Breakfast, lunch and dinner

\*7:00 is defined as direct travel time and does not include time taken to stop for dinner

The reimbursement rates for individual meals are calculated as a percentage of the full day per diem as

follows:

- Breakfast 15%
- Lunch 25%
- Dinner 60%

B. Same Day Travel

Employees traveling at least 100 miles to a site and returning in the same day are eligible to claim lunch on an expense report. Employees on same day travel status are eligible to claim dinner in the event they return home after 7:00\* p.m.

\*7:00 is defined as direct travel time and does not include time taken to stop for dinner

5. Internet Access – Hotels and Airports

Employees who travel may need to access their e-mail at night. Many hotels provide free high speed internet access and Tyler employees are encouraged to use such hotels whenever possible. If an employee's hotel charges for internet access it is reimbursable up to \$10.00 per day. Charges for internet access at airports are not reimbursable.

6. Alcohol

Client shall not reimburse Tyler for alcohol.

Effective Date: April 1, 2012

## Exhibit 5

### Adobe End User License Agreement

#### **ADOBE SYSTEMS INCORPORATED ADOBE CENTRAL OUTPUT SOFTWARE Software License Agreement**

NOTICE TO USER: THIS LICENSE AGREEMENT GOVERNS INSTALLATION AND USE OF THE ADOBE SOFTWARE DESCRIBED HEREIN BY LICENSEES OF SUCH SOFTWARE. INSTALLATION AND USE OF THE SOFTWARE IS NOT PERMITTED UNLESS ADOBE HAS GRANTED LICENSEE THE RIGHT TO DO SO AS SEPARATELY PROVIDED IN WRITING BY ADOBE. LICENSEE AGREES THAT THIS AGREEMENT IS LIKE ANY WRITTEN NEGOTIATED AGREEMENT SIGNED BY LICENSEE. BY CLICKING TO ACKNOWLEDGE AGREEMENT TO BE BOUND DURING REVIEW OF AN ELECTRONIC VERSION OF THIS LICENSE, OR DOWNLOADING, COPYING, INSTALLING OR USING THE SOFTWARE, LICENSEE ACCEPTS ALL THE TERMS AND CONDITIONS OF THIS AGREEMENT. THIS AGREEMENT IS ENFORCEABLE AGAINST ANY PERSON OR ENTITY THAT INSTALLS AND USES THE SOFTWARE AND ANY PERSON OR ENTITY (E.G., SYSTEM INTEGRATOR, CONSULTANT OR CONTRACTOR) THAT INSTALLS OR USES THE SOFTWARE ON ANOTHER PERSON'S OR ENTITY'S BEHALF.

LICENSEE'S RIGHTS UNDER THIS AGREEMENT MAY BE SUBJECT TO ADDITIONAL TERMS AND CONDITIONS IN A SEPARATE WRITTEN AGREEMENT WITH ADOBE THAT SUPPLEMENTS OR SUPERSEDES ALL OR PORTIONS OF THIS AGREEMENT.

#### 1. Definitions

1.1 "Adobe" means Adobe Systems Incorporated, a Delaware corporation, 345 Park Avenue, San Jose, California 95110, if subsection 9(a) of this Agreement applies; otherwise it means Adobe Systems Software Ireland Limited, 4-6 Riverwalk, Citywest Business Campus, Saggart, Dublin 24, Ireland, a company organized under the laws of Ireland and an affiliate and licensee of Adobe Systems Incorporated.

1.2 "Authorized Users" means employees and individual contractors (i.e., temporary employees) of Licensee.

1.3 "Computer" means one or more central processing units ("CPU") in a hardware device (including hardware devices accessed by multiple users through a network ("Server")) that accepts information in digital or similar form and manipulates it for a specific result based on a sequence of instructions.

1.4 "Deliver" means to transmit data directly or indirectly over a network to a printing device or any other device for the purpose of printing.

1.5 "Development Software" means Software licensed for use in a technical environment solely for internal development and testing and not for use as Production Software.

1.6 "Disaster Recovery Environment" means Licensee's technical environment designed solely to allow Licensee to respond to an interruption in service due to an event beyond Licensee's control that creates an inability on Licensee's part to provide critical business functions for a material period of time.

1.7 "Documentation" means the user manuals and/or technical publications as applicable, relating to installation, use and administration of the Software.

1.8 "Internal Network" means Licensee's private, proprietary network resource accessible only by Authorized Users. "Internal Network" specifically excludes the Internet (as such term is commonly defined) or any other network community open to the public, including membership or subscription driven groups, associations or similar organizations. Connection by secure links such as VPN or dial up to Licensee's Internal Network for the purpose of allowing Authorized Users to use the Software should be deemed use over an Internal Network.

1.9 "License Metric" means each of the per-unit metrics used by Adobe in connection with the licensed quantities identified as separately provided in writing by Adobe to describe the scope of Licensee's right to use the Software. One or more of the following types of License Metrics applies to each Software Product as further provided herein:

(a) Per-Computer. Licensee may install and use the Adobe Output Designer software on no more than the licensed number of Computers.

(b) Per-User. The total number of Authorized Users that directly or indirectly request or receive content that has been processed by the Software may not exceed the licensed quantity of users.

(c) Per-Server. The total number of Servers on which the Software is installed may not exceed the licensed quantity of Servers.

1.10 "Location" means a specific building or physical location as identified by its unique street address.

1.11 "Production Software" means Software licensed for productive business use.

1.12 "SDK Components" means the sample software code, application programming interface, header files and related information, and the file format specifications, if any, included as part of the Software as described in the Documentation or a "Read Me" file accompanying the applicable Software.

1.13 "Software" means the object code version of the software program(s) specified in a separate written agreement signed by Adobe, including all Documentation and other materials provided by Adobe to Licensee under this Agreement. The term "Software Product" may also be used to indicate a particular product, and otherwise has the same meaning as Software.

2. License. Subject to the terms and conditions of this Agreement, Adobe grants to Licensee a perpetual, non-exclusive license to install and use the Software delivered hereunder according to the terms and conditions of this Agreement, on Computers connected to Licensee's Internal Network, on the licensed platforms and configurations, in the manner and for the purposes described in the Documentation. The following additional terms also apply to Licensee's use of the Software.

2.1 License Metric. Licensee's right to install and use the Software is limited based on whether the Software is licensed as Production Software or Development Software (as separately provided in writing by Adobe) and the License Metrics applicable to the particular Software Products licensed (as separately provided in writing by Adobe) and subject to the terms in Section 3, unless Licensee has licensed the Software for evaluation purposes, in which case the terms of Section 4 apply.

2.2 SDK Components. Licensee's Authorized Users may install and use the SDK Components for purposes of facilitating use of the Software in accordance with this Agreement. Licensee agrees that Licensee will treat the API Information with the same degree of care to prevent unauthorized disclosure to anyone other than Authorized Users as Licensee accords to Licensee's own confidential information, but in no event less than

reasonable care. Licensee's obligations under this Section 2.2 with respect to the API Information shall terminate when Licensee can document that the API Information was in the public domain at or subsequent to the time it was communicated to Licensee by Adobe through no fault of Licensee's. Licensee may also disclose the API Information in response to a valid order by a court or other governmental body, when otherwise required by law, or when necessary to establish the rights of either party under this Agreement, provided Licensee gives Adobe advance written notice thereof.

2.3 Backup and Disaster Recover. Licensee may make and install a reasonable number of copies of the Software for backup and archival purposes and use such copies solely in the event that the primary copy has failed or is destroyed, but in no event may Licensee use such copies concurrently with Production Software or Development Software. Licensee may also install copies of the Software in a Disaster Recovery Environment for use solely in disaster recovery and not for production, development, evaluation or testing purposes other than to ensure that the Software is capable of replacing the primary usage of the Software in case of a disaster.

2.4 Documentation. Licensee may make copies of the Documentation for use by Authorized Users in connection with use of the Software in accordance with this Agreement, but no more than the amount reasonably necessary. Any permitted copy of the Documentation that Licensee makes must contain the same copyright and other proprietary notices that appear on or in the Documentation.

2.5 Outsourcing. Licensee may sub-license use of the Software to a third party outsourcing or facilities management contractor to operate the Software on Licensee's behalf, provided that (a) Licensee provides Adobe with prior written notice; (b) Licensee is responsible for ensuring that any such contractor agrees to abide by and fully complies with the terms of this Agreement as they relate to the use of the Software on the same basis as applies to Licensee; (c) such use is only in relation to Licensee's direct beneficial business purposes as restricted herein; (d) such use does not represent or constitute an increase in the scope or number of licenses provided hereunder; and (e) Licensee shall remain fully liable for any and all acts or omissions by the contractor related to this Agreement.

2.6 Font Software. If the Software includes font software, then Licensee may (a) use the font software on Licensee's Computers in connection with Licensee's use of the Software as permitted under this Agreement; (b) output such font software on any output devices connected to Licensee's Computers; (c) convert and install the font software into another format for use in other environments provided that use of the converted font software may not be distributed or transferred for any purpose except in accordance with the transfer section in this Agreement; and (d) embed copies of the font software into Licensee's electronic documents for the purpose of printing and viewing the document, provided that if the font software Licensee is embedding is identified as "licensed for editable embedding" on Adobe's website at <http://www.adobe.com/type/browser/legal/embeddingeula.html>, Licensee may also embed copies of that font software for the additional limited purpose of editing Licensee's electronic documents.

## 2.7 Restrictions

(a) No Modifications, No Reverse Engineering. Licensee shall not modify, port, adapt or translate the Software. Licensee shall not reverse engineer, decompile, disassemble or otherwise attempt to discover the source code of the Software. Notwithstanding the foregoing, decompiling the Software is permitted to the extent the laws of Licensee's jurisdiction give Licensee the right to do so to obtain information necessary to render the Software interoperable with other software; provided, however, that Licensee must first request such information from Adobe and Adobe may, in its discretion, either provide such information to Licensee or impose reasonable conditions, including a reasonable fee, on such use of the source code to ensure that Adobe's and its suppliers' proprietary rights in the source code for the Software are protected.

(b) No Unbundling. The Software may include various applications, utilities and components, may support multiple platforms and languages and may be provided to Licensee on multiple media or in multiple copies. Nonetheless, the Software is designed and provided to Licensee as a single product to be used as a single product on Computers and platforms as permitted herein. Licensee is not required to use all component parts of the Software, but Licensee shall not unbundle the component parts of the Software for use on different Computers. Licensee shall not unbundle or repackage the Software for distribution, transfer or resale.

(c) No Transfer. Licensee shall not sublicense, assign or transfer the Software or Licensee's rights in the Software, or authorize any portion of the Software to be copied onto or accessed from another individual's or entity's Computer except as may be explicitly provided in this Agreement. Notwithstanding anything to the contrary in this Section 2.7(c), Licensee may transfer copies of the Software installed on one of Licensee's Computers to another one of Licensee's Computers provided that the resulting installation and use of the Software is in accordance with the terms of this Agreement and does not cause Licensee to exceed Licensee's right to use the Software under this Agreement.

(d) Prohibited Use. Except as expressly authorized under this Agreement, Licensee is prohibited from: (i) using the Software on behalf of third parties; (ii) renting, leasing, lending or granting other rights in the Software including rights on a membership or subscription basis; and (iii) providing use of the Software in a computer service business, third party outsourcing facility or service, service bureau arrangement, network, or time sharing basis.

(e) Export Rules. Licensee agrees that the Software will not be shipped, transferred or exported into any country or used in any manner prohibited by the United States Export Administration Act or any other export laws, restrictions or regulations (collectively the "Export Laws"). In addition, if the Software is identified as an export controlled item under the Export Laws, Licensee represents and warrants that Licensee is not a citizen of, or located within, an embargoed or otherwise restricted nation (including Iran, Iraq, Syria, Sudan, Libya, Cuba and North Korea) and that Licensee is not otherwise prohibited under the Export Laws from receiving the Software. All rights to install and use the Software are granted on condition that such rights are forfeited if Licensee fails to comply with the terms of this Agreement.

### 3. License Metrics and Limitations.

3.1 Adobe Central Output Server. If Licensee has licensed Adobe Central Output Server as Production Software or Development Software (as separately provided in writing by Adobe), then Adobe grants Licensee a license to install and use Adobe Central Output Server on a Per-Server basis, provided that Licensee is not permitted to Deliver output from the Production Software to more than ten (10) Locations per licensed Server.

3.2 Adobe Central Pro Output Server. If Licensee has licensed Adobe Central Pro Output Server, then Adobe grants Licensee a license to install and use Adobe Central Pro Output Server either (a) as Production Software on a Per-Server or Per-User basis (as separately provided in writing by Adobe), or (b) as Development Software on a Per-Server basis. When Adobe Central Pro Output Server is licensed as Production Software on a Per-Server basis, Licensee is not permitted to Deliver output from the Software Product to more than ten (10) Locations per licensed Server.

3.3 Adobe Output Pak for mySAP.com. If Licensee has licensed Adobe Output Pak for mySAP.com, then Adobe grants Licensee a license to install and use Adobe Output Pak for mySAP.com solely in connection with Adobe Central Pro Output Server for use with SAP software either (a) as Production Software on a Per-Server or Per-User basis (as separately provided in writing by Adobe), or (b) as Development Software on a Per-Server basis. Licensee's license to Adobe Output Pak for mySAP.com includes a license to install and use Adobe Central Pro Output Server subject to the terms of Section 3.2 of this Agreement. The following additional terms apply:

3.3.1 Per-Server License. If Licensee has licensed Adobe Output Pak for mySAP.com on a Per-Server basis, Licensee shall have the right to install and use Adobe Central Pro Output Server on one (1) Server unless Licensee obtains additional Per-Server licenses to the Adobe Central Pro Output Server.

3.3.2 Per-User License. If Licensee has licensed Adobe Output Pak for mySAP.com software on a Per-User basis, Licensee must obtain a number of Per-User licenses of Adobe Output Pak for mySAP.com not less than the number of Authorized Users who are authorized to access or use the SAP software.

3.4 Adobe Central Output Server Workstation Edition. If Licensee has licensed Adobe Central Output Server Workstation Edition, then Adobe grants Licensee a license to install and use Adobe Central Output Server Workstation Edition as Production Software on a Per-Computer basis. Licensee's use of the Adobe Central Output Server Workstation Edition shall be limited to use directly or indirectly initiated by an individual person (not an automated process) for the sole purpose of delivering output that has been processed by the Adobe Central Output Server Workstation Edition software to the person that initiated such use.

3.5 Adobe Output Designer. If Licensee has licensed Adobe Output Designer, then Adobe grants Licensee a license to install and use Adobe Output Designer as Production Software on a Per-Computer basis subject to the following additional terms:

3.5.1 Network Use. As an alternative to installing and using the Adobe Output Designer software on the Computer of each licensed Authorized User, Licensee may install and use the Adobe Output Designer software on a file server for the purpose of (a) permitting Authorized Users to download the software for installation and use on no more than the licensed number of Computers connected to Licensee's Internal Network, or (b) permitting Authorized Users to use the software using commands, data or instructions from a Computer connected to Licensee's Internal Network provided that the total number (not the concurrent number) of Authorized Users that use the software does not exceed one user for each of the licensed number of Computers. No other network use is permitted.

3.5.2 Limitation. Licensee shall be prohibited from using the templates, forms and other materials created using the Adobe Output Designer software with any software other than Adobe software.

3.6 Development Software License. This Section 3.6 applies only if Licensee has obtained a valid Development Software license to a Software Product. In addition to the other terms contained herein, Licensee's license to the Development Software is limited to use in Licensee's technical environment strictly for testing and development purposes and not for production purposes. Licensee may (a) install the Development Software on Servers connected to Licensee's Internal Network provided that the total number of Computers used to operate the Development Software does not exceed the licensed amount, and (b) permit Authorized Users to use the Development Software in accordance with this Agreement.

4. Evaluation of Software Products. This Section 4 applies only if Licensee has obtained a valid license to evaluate Software Products as separately provided in writing by Adobe or as indicated by the serial number Licensee enters upon installation.

4.1 License. In addition to the other terms contained herein, Licensee's license to evaluate any Software Product is limited to use strictly for Licensee's own internal evaluation purposes and not for production purposes, and is further limited to a period not to exceed sixty (60) days from the date Licensee obtains the Software Products. Licensee may (a) install the Software Products on one (1) Computer connected to Licensee's Internal Network, and (b) permit Authorized Users to use the Software Products to deliver content within Licensee's Internal Network. Licensee's rights with respect to the Software Products are further limited as described in Section 4.2.

4.2 Limitations. Licensee's rights to install and use Software Products under this Section 4 will terminate immediately upon the earlier of (a) the expiration of the evaluation period described herein, or (b) such time that Licensee purchases a license to a non-evaluation version of such Software Products. Adobe reserves the right to terminate Licensee's license to evaluate Software Products at any time in its sole discretion. Licensee agrees to return or destroy Licensee's copy of the Software Products upon termination of this Agreement for any reason. To the extent that any provision in this Section 4 is in conflict with any other term or condition in this Agreement, this Section 4 shall supersede such other term(s) and condition(s) with respect to the evaluation of Software Products, but only to the extent necessary to resolve the conflict. **ADOBE IS LICENSING THE SOFTWARE PRODUCTS FOR EVALUATION ON AN "AS IS" BASIS AT LICENSEE'S OWN RISK. SEE SECTIONS 7 AND 8 FOR WARRANTY DISCLAIMERS AND LIABILITY LIMITATIONS WHICH GOVERN EVALUATION OF SOFTWARE PRODUCTS.**

5. Intellectual Property Rights. The Software and any copies that Licensee is authorized by Adobe to make are the intellectual property of and are owned by Adobe Systems Incorporated and its suppliers. The structure, organization and code of the Software are the valuable trade secrets and confidential information of Adobe Systems Incorporated and its suppliers. The Software is protected by copyright, including without limitation by United States Copyright Law, international treaty provisions and applicable laws in the country in which it is being used. Except as expressly stated herein, this Agreement does not grant Licensee any intellectual property rights in the Software and all rights not expressly granted are reserved by Adobe.

6. Updates. If the Software is an upgrade or update to a previous version of the Software, Licensee must possess a valid license to such previous version in order to use such upgrade or update. All upgrades and updates are provided to Licensee on a license exchange basis. Licensee agrees that by using an upgrade or update Licensee voluntarily terminates Licensee's right to use any previous version of the Software. As an exception, Licensee may continue to use previous versions of the Software on Licensee's Computer after Licensee uses the upgrade or update but only to assist Licensee in the transition to the upgrade or update, provided that the upgrade or update and the previous versions are installed on the same computer. Upgrades and updates may be licensed to Licensee by Adobe with additional or different terms.

## 7. WARRANTY

7.1. Warranty. Adobe warrants to Licensee that the Software will perform substantially in accordance with the Documentation for the ninety (90) day period following shipment of the Software when used on the recommended operating system, platform and hardware configuration. This limited warranty does not apply to evaluation software (as indicated in Section 4), patches, sample code, sample files and font software converted into other formats. All warranty claims must be made within such ninety (90) day period. If the Software does not perform substantially in accordance with the Documentation, the entire liability of Adobe and Licensee's exclusive remedy shall be limited to either, at Adobe's option, the replacement of the Software or the refund of the license fee paid to Adobe for the Software.

7.2 **DISCLAIMER. THE FOREGOING LIMITED WARRANTY IS THE ONLY WARRANTY MADE BY ADOBE AND STATES THE SOLE AND EXCLUSIVE REMEDIES FOR ADOBE'S, ITS AFFILIATES' OR ITS SUPPLIERS' BREACH OF WARRANTY. EXCEPT FOR THE FOREGOING LIMITED WARRANTY, AND FOR ANY WARRANTY, CONDITION, REPRESENTATION OR TERM TO THE EXTENT TO WHICH THE SAME CANNOT OR MAY NOT BE EXCLUDED OR LIMITED BY LAW APPLICABLE IN LICENSEE'S JURISDICTION, ADOBE, ITS AFFILIATES AND ITS SUPPLIERS PROVIDE THE SOFTWARE AS-IS AND WITH ALL FAULTS AND EXPRESSLY DISCLAIM ALL OTHER WARRANTIES, CONDITIONS, REPRESENTATIONS OR TERMS, EXPRESS OR IMPLIED, WHETHER BY STATUTE, COMMON LAW, CUSTOM, USAGE OR OTHERWISE AS TO ANY OTHER MATTERS, INCLUDING PERFORMANCE, SECURITY, NON-INFRINGEMENT OF THIRD PARTY**

RIGHTS, INTEGRATION, MERCHANTABILITY, QUIET ENJOYMENT, SATISFACTORY QUALITY OR FITNESS FOR ANY PARTICULAR PURPOSE.

8. LIMITATION OF LIABILITY. EXCEPT FOR THE EXCLUSIVE REMEDY SET FORTH ABOVE AND AS OTHERWISE PROVIDED IN SECTION 4, IN NO EVENT WILL ADOBE, ITS AFFILIATES OR ITS SUPPLIERS BE LIABLE TO LICENSEE FOR ANY LOSS, DAMAGES, CLAIMS OR COSTS WHATSOEVER INCLUDING ANY CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES, ANY LOST PROFITS OR LOST SAVINGS, ANY DAMAGES RESULTING FROM BUSINESS INTERRUPTION, PERSONAL INJURY OR FAILURE TO MEET ANY DUTY OF CARE, OR CLAIMS BY A THIRD PARTY EVEN IF AN ADOBE REPRESENTATIVE HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS, DAMAGES, CLAIMS OR COSTS. THE FOREGOING LIMITATIONS AND EXCLUSIONS APPLY TO THE EXTENT PERMITTED BY APPLICABLE LAW IN LICENSEE'S JURISDICTION. ADOBE'S AGGREGATE LIABILITY AND THAT OF ITS AFFILIATES AND SUPPLIERS UNDER OR IN CONNECTION WITH THIS AGREEMENT SHALL BE LIMITED TO THE AMOUNT PAID FOR THE SOFTWARE, IF ANY. THIS LIMITATION WILL APPLY EVEN IN THE EVENT OF A FUNDAMENTAL OR MATERIAL BREACH OR A BREACH OF THE FUNDAMENTAL OR MATERIAL TERMS OF THIS AGREEMENT. Nothing contained in this Agreement limits Adobe's liability to Licensee in the event of death or personal injury resulting from Adobe's negligence or for the tort of deceit (fraud). Adobe is acting on behalf of its affiliates and suppliers for the purpose of disclaiming, excluding and limiting obligations, warranties and liability, but in no other respects and for no other purpose. For further information, please see the jurisdiction specific information at the end of this agreement, if any, or contact Adobe's Customer Support Department.

9. Governing Law. This Agreement, each transaction entered into hereunder, and all matters arising from or related to this Agreement (including its validity and interpretation), will be governed and enforced by and construed in accordance with the substantive laws in force in: (a) the State of California, if a license to the Software is purchased when Licensee is in the United States, Canada, or Mexico; or (b) Japan, if a license to the Software is purchased when Licensee is in Japan, China, Korea, or other Southeast Asian country where all official languages are written in either an ideographic script (e.g., hanzi, kanji, or hanja), and/or other script based upon or similar in structure to an ideographic script, such as hangul or kana; or (c) England, if a license to the Software is purchased when Licensee is in any other jurisdiction not described above. The respective courts of Santa Clara County, California when California law applies, Tokyo District Court in Japan, when Japanese law applies, and the competent courts of London, England, when the law of England applies, shall each have non-exclusive jurisdiction over all disputes relating to this Agreement. This Agreement will not be governed by the conflict of law rules of any jurisdiction or the United Nations Convention on Contracts for the International Sale of Goods, the application of which is expressly excluded.

10. General Provisions. If any part of this Agreement is found void and unenforceable, it will not affect the validity of the balance of this Agreement, which shall remain valid and enforceable according to its terms. Updates may be licensed to Licensee by Adobe with additional or different terms. The English version of this Agreement shall be the version used when interpreting or construing this Agreement. This is the entire agreement between Adobe and Licensee relating to the Software and it supersedes any prior representations, discussions, undertakings, communications or advertising relating to the Software.

11. Notice to U.S. Government End Users.

11.1 Commercial Items. The Software and Documentation are "Commercial Item(s)," as that term is defined at 48 C.F.R. Section 2.101, consisting of "Commercial Computer Software" and "Commercial Computer Software Documentation," as such terms are used in 48 C.F.R. Section 12.212 or 48 C.F.R. Section 227.7202, as applicable. Consistent with 48 C.F.R. Section 12.212 or 48 C.F.R. Sections 227.7202-1 through 227.7202-4, as applicable, the Commercial Computer Software and Commercial Computer Software Documentation are being

licensed to U.S. Government end users (a) only as Commercial Items and (b) with only those rights as are granted to all other end users pursuant to the terms and conditions herein. Unpublished-rights reserved under the copyright laws of the United States. Adobe Systems Incorporated, 345 Park Avenue, San Jose, CA 95110-2704, USA.

11.2 U.S. Government Licensing of Adobe Technology. Licensee agrees that when licensing Adobe Software for acquisition by the U.S. Government, or any contractor therefore, Licensee will license consistent with the policies set forth in 48 C.F.R. Section 12.212 (for civilian agencies) and 48 C.F.R. Sections 227-7202-1 and 227-7202-4 (for the Department of Defense). For U.S. Government End Users, Adobe agrees to comply with all applicable equal opportunity laws including, if appropriate, the provisions of Executive Order 11246, as amended, Section 402 of the Vietnam Era Veterans Readjustment Assistance Act of 1974 (38 USC 4212), and Section 503 of the Rehabilitation Act of 1973, as amended, and the regulations at 41 CFR Parts 60-1 through 60-60, 60-250, and 60-741. The affirmative action clause and regulations contained in the preceding sentence shall be incorporated by reference in this Agreement.

12. Compliance with Licenses. Adobe may, at its expense, and no more than once every twelve (12) months, appoint its own personnel or an independent third party to verify the number of copies and installations, as well as usage of the Adobe software by Licensee. Any such verification shall be conducted upon seven (7) business days notice, during regular business hours at Licensee's offices and shall not unreasonably interfere with Licensee's business activities. Both Adobe and its auditors shall execute a commercially reasonable non-disclosure agreement with Licensee before proceeding with the verification. If such verification shows that Licensee is using a greater number of copies of the Software than that legitimately licensed, or are deploying or using the Software in any way not permitted under this Agreement and which would require additional license fees, Licensee shall pay the applicable fees for such additional copies within thirty (30) days of invoice date, with such underpaid fees being the license fees as per Adobe's then-current, country specific, license fee list. If underpaid fees are in excess of five percent (5%) of the value of the fees paid under this Agreement, then Licensee shall pay such underpaid fees and Adobe's reasonable costs of conducting the verification.

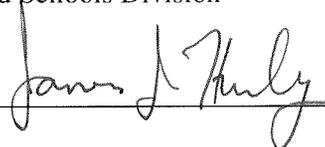
13. Third-Party Beneficiary. Licensee acknowledges and agrees that Adobe's licensors (and/or Adobe if Licensee obtained the Software from any party other than Adobe) are third party beneficiaries of this Agreement, with the right to enforce the obligations set forth herein with respect to the respective technology of such licensors and/or Adobe.

Adobe is either a registered trademark or trademark of Adobe Systems Incorporated in the United States and/or other countries.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the dates set forth below.

Tyler Technologies, Inc.  
ERP and Schools Division

City of Tracy

By:  \_\_\_\_\_

By: \_\_\_\_\_

Name: James J. Hurley

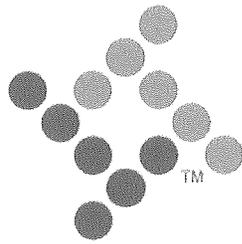
Name: \_\_\_\_\_

Title: Senior Vice President

Title: \_\_\_\_\_

Date: 5-14-14

Date: \_\_\_\_\_



**tyler**  
erp solutions

Exhibit 6

## Statement of Work

May 13, 2014  
Version Final

Prepared for  
City of Tracy, CA

## Table of Contents

<b>Section A: Executive Summary</b> .....	<b>4</b>
A.1.1 Project Background.....	4
A.1.2 Project Vision.....	4
A.1.3 Project Criteria for Success.....	5
A.1.4 Scope of the Project.....	5
<b>Section B: Project Governance</b> .....	<b>8</b>
B.1.1 City Project Structure .....	8
B.1.2 City Project Roles and Responsibilities .....	8
B.1.3 Project Sponsor: .....	9
B.1.4 Executive Team: .....	9
B.1.5 Project Manager: .....	10
B.1.6 Project Team: .....	10
B.1.7 Subject Matter Experts:.....	12
B.1.8 Technical Team: .....	12
B.1.9 City Change Management Team .....	13
B.1.10 Tyler Project Structure .....	14
B.1.11 Tyler Roles and Responsibilities .....	14
B.1.12 Tyler Executive Oversight .....	14
B.1.13 Tyler Regional Manager.....	15
B.1.14 Tyler Functional Project Managers.....	15
B.1.15 Tyler Implementation Consultants.....	15
B.1.16 Project SharePoint.....	16
B.1.17 Project Plan .....	17
B.1.18 Project Status Reports .....	17
B.1.19 Issue Tracking .....	18
B.1.20 Issue Resolution .....	18
B.1.21 Goal Issue Resolution Response Matrix .....	20
B.1.22 Scope Change Process .....	20
<b>Section C: Technology Architecture</b> .....	<b>22</b>
C.1.1 Munis Server Environment.....	22
C.1.2 Munis Client Workstation Recommendations .....	22
C.1.3 Environments.....	22
C.1.4 Printer Requirements for Tyler Forms .....	22
C.1.5 Key Dates for Hardware Availability .....	22
C.1.6 Technical Roles and Responsibilities .....	22
<b>Section D: Implementation</b> .....	<b>24</b>
D.1.1 Implementation Methodology Overview .....	24
D.1.2 Implementation Schedule.....	24
D.1.3 Implementation Roles and Responsibilities .....	24
D.1.4 Project Management.....	24
D.1.5 Implementation Process Per Phase .....	25
D.1.6 Modifications.....	38
D.1.7 Tyler Reporting Services (TRS) SSRS Report Development .....	41
D.1.8 Data Conversion .....	42
D.1.9 Workflow.....	44
D.1.10 Testing.....	45

<b>Section E: Training</b> .....	<b>48</b>
E.1.1 Tyler Education Plan .....	48
E.1.2 Knowledge Base .....	50
E.1.3 Project Team Training .....	51
E.1.4 Technical Training Approach .....	51
E.1.5 Training Plan for Users .....	51
E.1.6 End User Training .....	52
E.1.7 Training Materials and Documentation Development .....	52
E.1.8 Training Roles and Responsibilities .....	52
<b>Section F: Change Management (Standard)</b> .....	<b>54</b>
F.1.1 Overview of Standard Change Management Effort .....	54
F.1.2 Scope of Change Management Effort .....	54
F.1.3 Roles and Responsibilities .....	54
<b>Section G: Post Go-Live Implementation Support</b> .....	<b>55</b>
G.1.1 Overview of Post Go-Live Support .....	55
G.1.2 Duration of Post Go-Live Support .....	55
<b>Section H: Project Assumptions</b> .....	<b>56</b>
H.1.1 Estimated Days .....	56
H.1.2 Project Planning and Kickoff .....	56
H.1.3 Facility Requirements .....	57
H.1.4 Homework (Post-consulting day project tasks & follow-up) .....	57
<b>Section I: Appendix</b> .....	<b>58</b>
I.1.1 Listing of Deliverables .....	59
I.1.2 Customizations and Interfaces .....	64
I.1.3 Munis Release Life Cycle Policy .....	64

The information contained herein is based on the Investment Summary in the Agreement. In the event of discrepancy between this Statement of Work and the Investment Summary, the Investment Summary takes precedence.

## Section A: Executive Summary

### A.1.1 Project Background

The City of Tracy uses many different and disparate software systems to perform its financial, operational and governance duties. These systems have serious limitations from an operational, functional and technology perspective. Furthermore, there is very limited communication between most of the systems in use in the city; communication is essential as most systems provide some level of financial record keeping.

As part of the Fiscal Year 2013/14 Capital Improvement Program (CIP), the Tracy City 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, and community development) into one comprehensive system to manage operations. Since then, staff conducted a thorough evaluation of the City's business needs and current technologies and issued a Request for Proposal (RFP) to identify ERP vendors. This process required vendors to conduct an all-inclusive presentation of their product, demonstrating its functionality, efficiency, and effectiveness. A cross-departmental employee committee of future ERP system users unanimously selected Tyler Technologies' Munis ERP as the best fit for the City.

### A.1.2 Project Vision

The City's vision is founded on two City Council Strategic Goals:

- 1) Ensure fiscal sustainability through financial budgetary stewardship; and,
- 2) Enhance Fiscal Transparency.

To meet this vision, the City of Tracy has outlined several core objectives:

- 1) Implement Best Practices: Adopt "Best Practices" that promote efficiency and strengthen internal controls. Through the use of several methods, the City will:
  - a. Design new business practices that model industry best practices for promoting efficiency and control.
  - b. Leverage technology tools such as tablet devices to enhance productivity.
  - c. Use internet based portals and electronic workflow to improve service delivery and operational efficiencies
  - d. Increase use of electronic document management and storage systems.
- 2) Consolidate systems: Due to limitations with the City's current financial system, several smaller, ancillary systems are used to process and track information. The need for these ancillary systems will be significantly reduced.
- 3) Redesign Chart of Accounts: The chart of accounts is the key driver to providing timely and useful financial information. The current chart of accounts is restrictive and does not provide a platform for easy reporting. This project provides the opportunity to develop a chart of accounts consistent with best practices.
- 4) Enhance Fiscal Transparency: The new financial system will improve community access to financial and budgetary information, ensuring the provision of timely and accurate data when requested by the public.
- 5) Improve Financial and Management Reporting: The City's financial reporting capabilities will be expanded, with the ability to access a broader scope of data to support key operational and budgetary decisions.

- 6) Customer Portal: This project will standardize customer processes, improving service delivery.

### A.1.3 Project Criteria for Success

The following are short-term and long-term measures to determine project success:

- 1) Customer satisfaction with system (internal and external users)
- 2) Increased staff productivity and utilization of system
- 3) Lower maintenance requirements, resulting in reduced system replacements
- 4) Enhanced customer satisfaction in conducting business with the City

### A.1.4 Scope of the Project

The scope of the ERP project is divided into five major phases that will occur over approximately 23 months. For purposes of this SOW, the scope includes both the software scope defined below as well as the scope of the implementation effort that is defined in Section D, Implementation. The timelines provided assume that the product will be used as-is, without any required go-live customizations.

#### Phase 1–Core Financials (targeted July 2014 – April 2015 )

Phase 1 will include Core Financials and be delivered to the City in a manner and timeframe that will facilitate an April 1st, 2015 planned “go-live” date.

Phase 1 will include the following functions and corresponding Tyler modules or third party systems listed below.

Functional Area	Module
System Wide	<ul style="list-style-type: none"> <li>• Munis Analytics &amp; Reporting</li> <li>• Tyler Content Manager Standard Edition</li> <li>• Tyler Forms Processing</li> <li>• Tyler Secure Signature Key System</li> </ul>
General Ledger / Chart of Accounts	<ul style="list-style-type: none"> <li>• Accounting General Ledger (Core Financials)</li> <li>• Cash Management</li> </ul>
Budgeting	<ul style="list-style-type: none"> <li>• Budgeting</li> </ul>
Purchasing	<ul style="list-style-type: none"> <li>• Purchase Orders</li> <li>• Requisitioning</li> <li>• Contract Management</li> <li>• eProcurement</li> </ul>
Accounts Payable	<ul style="list-style-type: none"> <li>• Accounts Payable</li> </ul>
Project / Grant Accounting	<ul style="list-style-type: none"> <li>• Project / Grant Accounting</li> </ul>
Accounts Receivable / Billing / Cashiering	<ul style="list-style-type: none"> <li>• Accounts Receivable</li> <li>• General Billing</li> <li>• Tyler Cashiering</li> </ul>
Fixed Assets	<ul style="list-style-type: none"> <li>• Fixed Assets</li> <li>• BMI Asset Track Interface</li> <li>• CAFR Statement Builder</li> </ul>

**Phase 2–Core Human Resources/Payroll (targeted October 2014 – July 2015)**

Phase 2 will include Core human resources and payroll to be delivered to the City in a manner and timeframe that will facilitate a targeted July 1<sup>st</sup>, 2015 “go-live” date.

Phase 2 will include the following functions and corresponding Tyler modules or third party systems listed below.

Functional Area	Module
Human Resources	<ul style="list-style-type: none"> <li>Human Resource Management (incl position control, benefit enrollment)</li> </ul>
Payroll	<ul style="list-style-type: none"> <li>Payroll w/ Employee Self Service</li> </ul>
Employee Expense Reimbursement	<ul style="list-style-type: none"> <li>Employee Expense Reimbursement</li> </ul>
Applicant Tracking	<ul style="list-style-type: none"> <li>Applicant Tracking</li> </ul>

**Phase 3–Utility Billing (targeted November 2014 – September 2015)**

Phase 3 will include Utility Billing to be delivered to the City in a manner and timeframe that will facilitate a targeted September 1<sup>st</sup>, 2015 “go-live” date.

Phase 3 will include the following functions and corresponding Tyler modules or third party systems listed below.

Functional Area	Module
Utility Billing	<ul style="list-style-type: none"> <li>Utility Billing CIS</li> <li>UB Interface</li> </ul>
Cashiering	<ul style="list-style-type: none"> <li>Accounts Receivable</li> <li>Tyler Cashiering</li> </ul>
Property	<ul style="list-style-type: none"> <li>Central Property File</li> </ul>
Customers	<ul style="list-style-type: none"> <li>Customer Self Service</li> <li>Transparency Portal</li> <li>IVR Gateway</li> </ul>

**Phase 4–Business License & Permits(targeted August 2015 – May 2016)**

Phase 4 will include Business Licenses and Permits & Code Enforcement to be delivered to the City in a manner and timeframe that will facilitate a targeted May 1<sup>st</sup>, 2016 “go-live” date.

Phase 4 will include the following functions and corresponding Tyler modules or third party systems listed below.

Functional Area	Module
Business License	<ul style="list-style-type: none"> <li>Business License</li> </ul>
Permits	<ul style="list-style-type: none"> <li>Permits &amp; Code Enforcement</li> </ul>
Cashiering	<ul style="list-style-type: none"> <li>Accounts Receivable</li> </ul>

Functional Area	Module
	<ul style="list-style-type: none"> <li>• General Billing</li> <li>• Tyler Cashiering</li> </ul>
Property	<ul style="list-style-type: none"> <li>• Central Property File</li> </ul>
Maplink	<ul style="list-style-type: none"> <li>• Maplink GIS Integration</li> </ul>
Citizens	<ul style="list-style-type: none"> <li>• Citizen Self Service</li> </ul>

**Phase 5–Work Orders (targeted July 2015 – January 2016)**

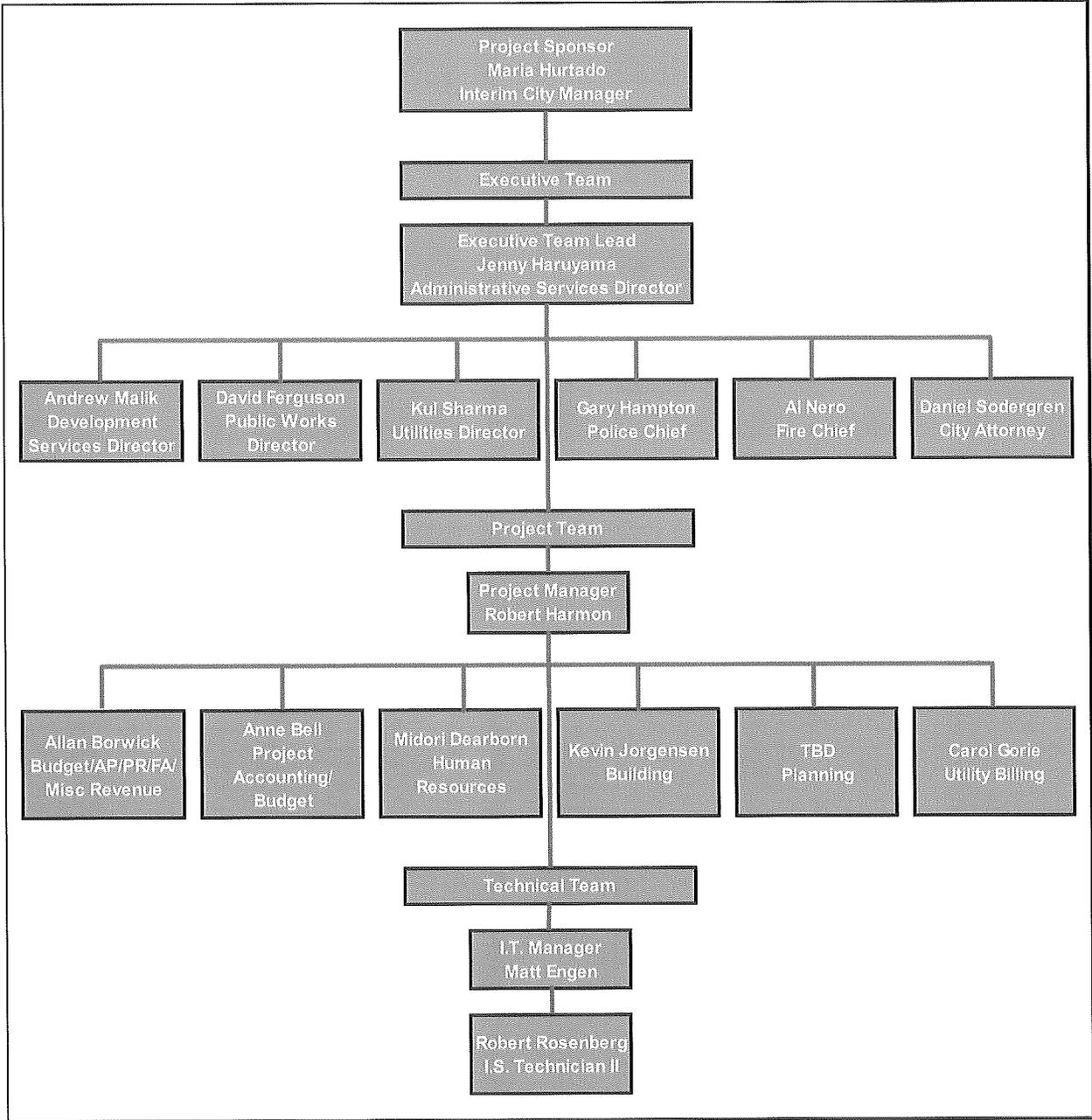
Phase 5 will include Work Orders to be delivered to the City in a manner and timeframe that will facilitate a targeted January 1<sup>st</sup>, 2016 “go-live” date.

Phase 5 will include the following functions and corresponding Tyler modules or third party systems listed below.

Functional Area	Module
Work Orders	<ul style="list-style-type: none"> <li>• Work Orders</li> <li>• Fleet &amp; Facilities</li> </ul>
Inventory	<ul style="list-style-type: none"> <li>• Inventory</li> <li>• BMI CollectIT Interface</li> </ul>

# Section B: Project Governance

## B.1.1 City Project Structure



## B.1.2 City Project Roles and Responsibilities

This section presents the anticipated roles and responsibilities for the key staff positions for the project. The joint team of the City and Tyler will ultimately be responsible for designing, developing and delivering the final products of this project.

The City defines its resources as follows:

**B.1.3 Project Sponsor:**

The Project Sponsors provides support to the project by allocating resources, providing strategic direction, communicating key issues about the project and the project’s overall importance to the organization; and when called upon acting as the final authorities on all project decisions. Project sponsors will be involved in the project as needed to provide necessary support, oversight, and guidance, but will not participate in day-to-day activities. The project sponsors will empower the steering committee to make critical business decisions for the City.

Resource	Title	Expected Commitment
Maria Hurtado	Interim City Manager	As Needed Executive Support

**B.1.4 Executive Team:**

The Executive Team will be made up of director level staff from the City of Tracy, CA. The Executive Team will understand and support the cultural change necessary for the project and foster throughout the organization an appreciation of the value of an integrated ERP system. The Executive Team oversees the project team and the project as a whole. Through participation in regular meetings the Executive Team will remain updated on all project progress, project decisions, and achievement of project milestones. The Executive Team will also provide support to the project team by communicating the importance of the project to each member’s department along with other department directors in City. The Executive Team is responsible for ensuring that the project has appropriate resources, providing strategic direction to the project team, and is responsible for making timely decisions on critical project or policy issues. The Executive Team also serves as primary level of issue resolution for the project.

The Executive Team will meet on a regularly scheduled basis for approximately one hour every two weeks. The meeting schedule, time and location will be set as a recurring meeting. Additional meetings may be scheduled as necessary. Similarly, meetings may be cancelled. The Project Manager will be responsible for distributing an agenda prior to each scheduled meeting. Meeting notes will be taken and then approved at the following regularly scheduled meeting.

The City Executive Team Members are part of the escalation process for all issues not resolved at the Project Manager and/or Senior Project Manager levels. The Executive Team has active project participation on a limited basis, primarily participating in Executive Team Meetings and the project review that occurs as part of the meetings.

Executive Team Members will be responsible for:

- Attend all scheduled Executive Team meetings
- Provide support for the project
- Assist with communicating key project messages throughout the organization
- Make the project a priority within the organization

- Provide management support for the project to ensure it is staffed appropriately and that staff have necessary resources
- Monitor project progress including progress towards agreed upon goals and objectives
- Make all decisions related to impacts on the following
  - Cost
  - Scope
  - Schedule
  - Project Goals
  - City Policies

Resource	Title	Expected Commitment
Jenny Haruyama	Administrative Services Director – Executive Team Lead	As needed
Andrew Malik	Development Services Director	As needed
David Ferguson	Public Works Director	As needed
Kul Sharma	Utilities Director	As needed
Gary Hampton	Police Chief	As needed
Al Nero	Fire Chief	As needed
Dan Sodergren	City Attorney	As needed

### B.1.5 Project Manager:

The City’s project manager will coordinate project team members, subject matter experts, and the overall implementation schedule. The Project Manager will be responsible for reporting to the Executive Team and providing the majority of the City’s change management communications and coaching.

The project manager will be responsible for:

- Working with the Tyler Project Manager
- Reviewing and approve all project deliverables
- Management of project risks and issues
- Managing and updating the project plan
- Acting as liaison between project team and Executive Team
- Making regular updates/refinements to the SharePoint project site repository
- Scheduling City resources for implementation tasks and training days. This includes but is not limited to personnel, equipment and training rooms (may be done with the assistance of administrative staff)
- Maintaining team contact numbers, email lists, and regular communications
- Acting as point of contact for Tyler for staffing and delivery matters
- Escalating issues per the approved Issue Resolution Plan

Resource	Title	Expected Commitment
Robert Harmon	Project Manager	Continuous

### B.1.6 Project Team:

Project team members will be the core functional leads for each area in the system. The project team members have detailed subject matter expertise and are empowered to make appropriate business process and configuration decisions in their respective areas.

The Project Team is tasked with carrying out all project tasks described in the Statement of Work including planning, business process analysis, configuration, documentation, testing, training, and all other required City tasks. The Project Team will be responsible for and empowered to implement the new system in the best interests of the City consistent with the project goals, project vision, and direction from the Project Manager and Executive Team. Project Team members will be dedicated to the project full time.

The City Project Team/Functional Leads will be responsible for:

- Making business process changes under time sensitive conditions.
- Assisting in identifying business process changes that may require escalation.
- Attending and contributing business process expertise for As-Is, To-Be and the Static Environment Testing sessions.
- Identifying and including necessary subject matter experts to participate in As-Is, To-Be and the Static Environment Testing sessions.
- Providing business process change support during Core User and End User training.
- Completing security templates for all Core and End users.
- Completing Performance Tracking review with City Project Team on End User competency on trained topics.
- Providing Core and End users with dedicated time to complete required homework tasks.
- Acting as supervisor/cheerleader for the new process.
- Identifying and communicating to City Project Team any additional training needs or scheduling conflicts
- Actively participate in all aspects of the implementation, including, but not limited to, the following key activities:
  - Complete homework assignments
  - Kick-Off Planning and Coordination
  - Project Management Plan Development
  - Schedule Development
  - Maintains and Monitors Risk Register
  - Escalates Issues as needed
  - Communicates with Tyler Project Team
  - City Resource Coordination
  - As-Is/To-Be
  - Best Practices Decision-making
  - Static Environment Testing (SET)
  - Change Management Activities
  - Analysis, Table Building, Security and Workflow Maintenance
  - Process Training
  - Customization Specification, Demonstrations, Testing and Approval
  - Conversion Analysis and Verification
  - End User Training
  - Parallel Testing and/or Trial Run Testing
  - Forms Design, Testing, and Approval
  - User Acceptance and Stress Testing

Resource	Function	Expected Commitment
Robert Harmon	Project Manager/Accounting	Continuous
Allan Borwick	Budget/AP/PR/FA/Misc Revenue	As needed
Anne Bell	Project Accounting/Budget	As needed
Midori Dearborn	Human Resources	As needed
Kevin Jorgensen	Building	As needed
TBD	Planning	As needed
Carol Gorrie	Utilities	As needed

### B.1.7 Subject Matter Experts:

Subject matter experts (SME's) will play an important role in the project to provide necessary expertise not found on the project team and to support project team activities. However, subject matter experts will have a primary responsibility to their "home" department and not be available for significant periods of time on the project.

SMEs will be the City's primary interface to its End Users. The City's End Users will ultimately be the users of the system in all areas through the City. End User's proactive adoption of the system is vital to the City realizing success in this project. End Users will be consulted throughout the process to provide feedback on business processes decisions, configuration decisions, training, documentation, and testing.

The City Subject Matter Experts will be responsible for:

- Participating in project activities as required by the project team and project manager
- Providing subject matter expertise on both City business processes and requirements
- Act as SME and attend As-Is, To-Be and the Static Environment Testing sessions if needed
- Attend all scheduled training sessions
- Practice all processes following training and as needed throughout project
- Assist in Conversion Validation as needed
- Become application experts
- Participate in Trial Runs and/or Parallel Processing testing
- Participate in SET processes and provide feedback to the project team on the SET results
- Adopt and support changed procedures
- Practice and complete all homework on an acceptable time line
- Demonstrate competency with MUNIS processing prior to GO LIVE

Resource	Function	Expected Commitment
SME's to be determined at a later date.		As Needed

### B.1.8 Technical Team:

The City's technical team will be primarily responsible for overall system administration, security, and workflow. The Technical Team will also handle all data conversions, interfaces, and reporting for the City. It is expected that the Technical team will be responsible for system administration post go-live. Because the Technical Team is tasked with maintaining the City's customized current system, technical team members also possess functional knowledge and are expected to be key resources not only for technical tasks, but also functional tasks.

The City’s technical team will be responsible for all technical aspects of the project. Technical resources will also be responsible for coordinating with Tyler’s installation team to support the implementation.

The City Technical Team will be responsible for:

- Loading updates and releases according to the Update and Release Plan
- Copying source databases to training/testing databases as needed for training days
- Extracting and transmitting conversion data and control reports following conversion schedule
- Adding new users and printers
- Performing basic server system maintenance
- Ensuring all users understand log-on process and have necessary permission for all training sessions
- Coordinating IT functions such as system backups, loading releases and software updates, hardware installation and operating system setup
- Providing remote access for Tyler support personnel upon need / request

Resource	Title	Expected Commitment
Matt Engen	I.T. Manager	As needed
Robert Rosenberg	Information Systems Technician II	As needed
TBD	Information Systems Technician	As needed

### B.1.9 City Change Management Team

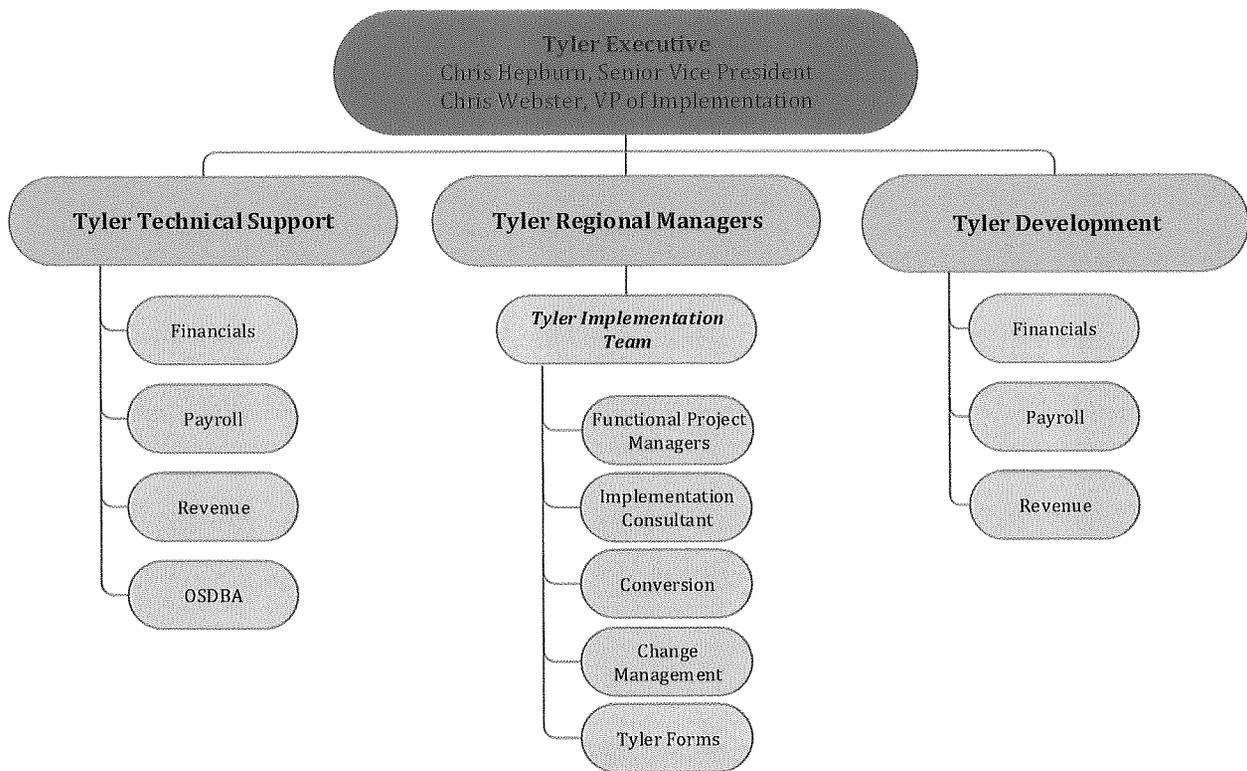
The City’s change management team is responsible for maintaining regular and effective project communications between project stakeholders and supporting overall change efforts in the City. While it is expected that all City project team members and Executive Team members will have a change management role, the following individuals will be tasked with coordinating that effort. Responsibilities will include:

- Leading change management portion of process
- Executing the change management plan
- Directing City-wide communications
- Assisting with obtaining adoption of new business processes
- Coordinating department readiness for new system
- Managing development of training and providing training oversight
- Ensuring that City end users are receiving appropriate training
- Providing a place for City employees to voice concerns over the project
- Resolving change management issues
- Assisting with post implementation support planning

Resource	Title	Expected Commitment
Robert Harmon	Project Manager	Included as Project Manager Role
TBD	Change Management / Communications Facilitator	TBD

### B.1.10 Tyler Project Structure

Below is a description of the roles and responsibilities of each member of the Tyler project structure with a level of commitment for both overall work and on-site presence for the City’s project. Additionally, key personnel resources are identified. Key personnel are subject to key personnel requirements included in the master agreement.



### B.1.11 Tyler Roles and Responsibilities

Tyler plans to leverage the strengths, skills and knowledge of our blended team members. In the table that follows, a description of the various roles and responsibilities associated with the overall project team is provided.

### B.1.12 Tyler Executive Oversight

The Tyler Vice President of Implementation has indirect involvement with the project and is part of the Tyler escalation process. This team member offers additional support to the project team and is able to work with other Tyler department managers in order to escalate and facilitate implementation project tasks and decisions. The Tyler Project Managers or Regional Manager will apprise the Vice President of Implementation of known issues that may require assistance or impede project performance. The communication path for issue escalation at this level is typically with the Project Sponsor and/or Executive Team.

Resource	Title	Expected Commitment	On-Site Commitment	Key Personnel
Chris Webster	Vice President - Implementation	As needed	As needed	No

### B.1.13 Tyler Regional Manager

This team member has indirect involvement with the project and is part of the Tyler escalation process. Tyler Project Managers may consult the Regional Manager with issues and decisions regarding the project. The Tyler Regional Manager is responsible for:

- Tyler project team staffing decisions
- Assisting Tyler Project Managers with resolution of issues outside of the scope of the project impacting budget, scope or schedule
- Monitoring progress of the implementation and ensuring the project is on target to meet the desired objectives
- Providing proactive personal communication with City Executive Sponsor and/or City Project Manager as needed for critical project risks and success factors

Resource	Title	Expected Commitment	On-Site Commitment	Key Personnel
Scott Parks	Regional Manager	As needed	As needed	No
Shawn Gaudreau	Regional Manager	As needed	As needed	No

### B.1.14 Tyler Functional Project Managers

Tyler Project Managers are empowered to make all Tyler decisions regarding the project in order to keep the project on task. They initiate Change Orders on all approved decisions impacting the scope of the contract, as agreed upon by the City and Tyler Project Teams. They escalate outstanding tasks and issues within Tyler and to the City Project Manager, as applicable. They work with the Tyler and City Project Team Members to ensure tasks are completed and decisions are made in a timely fashion, coordinate Tyler activities across modules and phases, and develop the Project Management Plans, with the assistance of the City Project Manager, in order to effectively manage the scope of the project and all changes that occur throughout the life of the project or project phase.

Resource	Title	Expected Commitment	On-Site Commitment	Key Personnel
TBD	Project Manager		As needed	Yes
TBD	Project Manager		As needed	Yes

### B.1.15 Tyler Implementation Consultants

The Tyler Implementation Consultants will be responsible for:

- Providing in-depth product expertise and knowledge of best practices use of Tyler products
- Review module-specific configuration plans and desired processing options

- Assist in configuration of module design plans and options
- Provide conversion analysis and crosswalk assistance
- Participate in to-be Static Environment Testing
- Conducting training (process, conversion validation, parallel processing)
- Testing functionality with City (base, customizations, interfaces)
- Performing problem solving and troubleshooting
- Following up on issues
- Complete daily site reports detailing activities for each implementation day
- Keeping the project manager(s) apprised of any and all issues that may result in the need for additional training needs, slip in schedule, change in process decisions, or that could adversely impact the success of the project

Resource	Title	Expected Commitment	On-Site Commitment	Key Personnel
TBD	Implementation Consultant - Financials	Varies - per contracted days		Yes
TBD	Implementation Consultant - Financials	Varies - per contracted days		No
TBD	Implementation Consultant - Payroll/HR	Varies - per contracted days		Yes
TBD	Implementation Consultant - Payroll/HR	Varies - per contracted days		No
TBD				
TBD				

### B.1.16 Project SharePoint

Tyler understands that current, accurate information that is easily accessible is a key component in an ERP Implementation Project. As part of Implementation, Tyler will provide and host a SharePoint web site. The purpose of this site is to furnish the city and Tyler staff with a central location to plan, store and access pertinent documentation and information relating to the city’s implementation project. The ERP Implementation SharePoint site will ensure that all project stakeholders have an easy-to-use tool that will provide an integrated location to inquire, review and update any and all project information.

It is Tyler’s goal to have the site available for introduction to the City during the Project Manager’s on-site Kick-Off meeting. At this meeting, the PM will provide an overview of the site and distribute documentation that further explains the site and its available tools. It will be a central location to maintain control of the project and provide team members with a formal method of managing tasks, owners and due dates throughout the project.

This site will be jointly maintained by the Tyler and City Project Teams for the duration of the implementation. Each City SharePoint site will utilize standards and defaults set by Microsoft SharePoint software. The site will be easy to navigate and provide text “breadcrumbs” for backtracking and/or return to the home page. Tools of the site will include, but are not limited to: Documents & Links; Announcements; Calendar; Project Task List; Issues & Action Items; Project Plan; Modifications& Enhancements; Versioning; Alerts.

### **B.1.16.1 SharePoint Backups**

Tyler performs a daily routine backup for all Client SharePoint sites using industry standard backup techniques and processes. Site-specific backup files can be provided as a billable service with a minimum of 4 hours charged for each backup file using the contracted Tyler rate for implementation services. Tyler does not provide SharePoint consulting services to restore provided backup files in client-hosted environment.

### **B.1.17 Project Plan**

Tyler will create and maintain a baseline Project Work Plan throughout the project life cycle that represents the project's scope of work and responsibilities as defined in this SOW and those dependent work efforts that affect the project's schedule or budget. The initial project plan is established with the City's approval of this SOW as the approved budget, schedule, and scope of the project. The Tyler Project Manager will present the working project plan to the Project Team at the kickoff or a subsequent project meeting. The project team will ask for modifications or will accept the Tyler project plan. Once the project plan is approved by the project team, the project baseline will be set by the Tyler Project Manager.

The baseline Project Work Plan will contain:

- Project's activities with tasks
- Specific resources assigned to project tasks
- Detailed Project schedule / Work Break Down Structure (WBS) featuring phases, deliverables, and work packages

All project tasks will be assigned owners and due dates which correspond with the overall project schedule. Project Tasks that are not completed by the due date may adversely affect the project schedule and live dates.

Decisions will be made in a timely fashion in order to achieve scheduled due dates on tasks and prepare for subsequent training sessions. Decisions left unmade may affect the project schedule as each analysis and implementation session builds on the decisions made in prior sessions

### **B.1.18 Project Status Reports**

Tyler will develop a Communications Management Plan, at the onset of the project that will define the frequency and recipients for the project status reports. Project reports are intended for the Project Manager and the City Executive Team and provide the following key elements:

- Project Status
- Summary of accomplishments
- Status of key milestones deliverables
- Project timeline
- Issues/Risks
- Planned risk mitigation strategy
- Progress towards City project goals / criteria of project success
- Summary of change requests.

Tyler Project Managers will also review project progress and status with the project leads and team members for both Tyler and the City on a bi-weekly basis, or more often if deemed necessary by either

the Tyler Project Manager or the City Project Manager. The project team will meet to communicate activities occurring across sub-teams and to communicate any issues that are impeding progress.

### **B.1.19 Issue Tracking**

Upon identification of project issues, risks, and key project decisions both Tyler and City team members are responsible for adding the issue to the Issue Log. For each identified issue, the following information will be captured:

- Issue Number
- Reported by/date
- Status (i.e. new, open, closed, pending)
- Module/Business Process
- Priority
- Issue
- Comments
- Findings
- Recommendations
- Resolution Assignment
- Date Tested
- Date Closed

The City and Tyler project managers will review the Issues Log on a bi-weekly basis during project team meetings, more frequently if needed. The City and Tyler project Managers will collaboratively assign a priority to each issue and identify the individual(s) responsible for facilitating its resolution. During the critical phases of the project, the City and Tyler project managers will review the issues log on a daily basis.

Issues identified through the Issues Log will be resolved by the implementation team or the Tyler implementation team will coordinate as necessary with Tyler's internal resources. The City will not be responsible for making direct contact with Tyler support for issues identified on the issues log unless a critical issue is encountered while Tyler implementation staff is not onsite and the issue prevents City staff from making appropriate progress.

### **B.1.20 Issue Resolution**

The following issue resolution processes will be used during the Project for all issues identified on the issues log.

Within two (2) business days following the scheduled status meeting, the City Project Manager and Tyler Project Managers will prioritize all new issues, provide an estimated due date for decision, assign the issue to an appropriate team member(s) and enter the detail in the Issues & Actions list on SharePoint.

Step 1: Once the issue has been assigned, the appropriate team member(s) are responsible for completing the assigned follow-up tasks and resolving the issue by the assigned due date. Assigned resources could include both the Tyler or City project team members. The goal timeframes for resolving an issue are outlined in the Goal Issue Resolution Response Matrix below. In the event that the issue is not resolved by the project team during the time allotted, the issue will be escalated to step 2.

Step 2: If issues are not resolved by the project team and/or the City Project Manager and the Tyler Project Managers, the issue will be referred to the City Executive Team and/or Tyler Regional Manager for decision at the next scheduled meeting. For critical decisions, the Tyler project managers and City project manager can agree to schedule a special Executive Team meeting to discuss the issue. In the event the issue is not resolved by Tyler and the City Executive Team, the issue will be referred to Step 3.

Step 3: If issues are not resolved by the City Executive Team and/or Tyler Regional Manager, the issue will be referred to the City Project Sponsor and/or the Tyler Executive Oversight for the Project. The City Project Manager and Tyler Project Managers will request a meeting of the City Project Sponsor and/or Tyler Executive Oversight to be held within ten (10) business days. Meetings may need to occur sooner for critical issues. Prior to each meeting, both Tyler and the City will prepare a written analysis of the issue with recommendations for discussion. The City Project Sponsor and Tyler Executive Oversight will agree on a final resolution to the issue. It is expected that any decision impacting one of the following may also require a scope change approval as described in a later section of this statement of work. It is also expected that one or more of the following will apply:

- Have a significant impact on the Project or the organization
- Have a significant impact on Project scope
- May result in additional cost to Tyler or the City
- May cause the Project or the delivery of a Deliverable to become delayed

At any time during the project, if the City is not satisfied with the level of response from any of the Tyler project managers or Tyler Regional Manager, or if the Tyler project manager or Tyler Regional Manager do not have the ability to make key decisions or resolve potential issues, the City will reserve the right to escalate the issue to the Tyler Executive Oversight Team. Tyler's Executive Oversight Team will have responsibility for overall project delivery.

### B.1.21 Goal Issue Resolution Response Matrix

Issue Group – Project	Goal Resolution Response				Notes
	Critical (Priority 1)	High (Priority 2)	Medium (Priority 3)	Low (Priority 4)	
Scope Change Request Response	<=1 day	<=10 days	<=30 days	<=60 days	See below for priority definitions.
Project Implementation Issues Response	<=1 day	<=7 days	<=30 days	<=45 days	See below for priority definitions.
Decision Making Delays Response	<=1 day	<=7 days	<=30 days	<=45 days	See below for priority definitions.
Personnel Issues	<=1 day	<=15 days	<=30 days	<=45 days	See below for priority definitions.
Conversion Issues	<=1 day	<=7 days	<=30 days	<=45 days	See below for priority definitions.
Critical (Priority 1):	Issue is critical to the City and has significant impact on live processing, time sensitive training or critical path tasks.				
High (Priority 2):	Issue is severe, but there is a work around or intermediary action the City can take.				
Medium (Priority 3):	Issue is a non-severe but requires follow up from Tyler.				
Low (Priority 4):	Issue is non-critical for the City and they would like to work with applicable Tyler resource as time permits.				

### B.1.22 Scope Change Process

If the City requires the performance of services that are not then being performed, or requires a change to the existing services, the City’s Project Manager shall deliver to the Tyler’s Project Managers a scope change request specifying the proposed work with sufficient detail to enable Tyler to evaluate it. Tyler, within ten (10) business days, or longer as may be mutually agreed between the parties, following the date of receipt of such change request, shall provide City with a written scope change proposal containing the following:

- Detailed description of resources (both Tyler and City) required to perform the change
- Specifications
- Implementation Plans
- Schedule for completion
- Acceptance criteria
- Impact on current milestones and payment schedule
- Impact on project goals and objectives
- Price

All scope change requests and scope change proposals will be approved first by the City Project Manager and Tyler Project Managers. Scope change requests will also be identified on the issues log and elevated to the City Executive Team for review at the next Executive Team meeting.

Within the reasonable timeframe specified in Tyler’s scope change proposal, which timeframe shall not be less than ten (10) business days from the City Project Manager’s receipt of such scope change proposal (the “Response Period”), the City shall notify Tyler in writing if the City elects to proceed with the change proposal. If, within the Response Period, the City gives notice to Tyler not to proceed, or fails to give any notice to Tyler, then the scope change proposal shall be deemed withdrawn and Tyler shall take no further action with respect to it. Tyler shall promptly commence performing the Services described in

the scope change proposal upon Tyler's receipt of an approved scope change proposal during the Response Period, subject to the availability of Tyler personnel unless otherwise mutually agreed. Tyler acknowledges that any scope change proposal that affects the total cost of the project is subject to the City's policies and that the Response Period must provide adequate time for City's consideration. City acknowledges that such scope change proposals may affect the implementation schedule and Go-Live Dates, which will be changed by mutual agreement. All scope change proposals shall be governed by the terms and conditions of the Master Agreement, including the daily rates for services, unless mutually agreed in writing otherwise.

## **Section C: Technology Architecture**

### **C.1.1 Munis Server Environment**

To be inserted by Tyler Technology Team

### **C.1.2 Munis Client Workstation Recommendations**

This section outlines the minimum and recommended system requirements for client workstations accessing the Tyler ERP system.

To be inserted by Tyler Technology Team

### **C.1.3 Environments**

As part of the project, Tyler and the City will establish the following environments. All hardware specifications, requirements, and required staffing will support development of all listed environments.

- Testing
- Training
- Production/Live

### **C.1.4 Printer Requirements for Tyler Forms**

The Tyler Software Product “Tyler Forms Processing” must be used in conjunction with a Hewlett Packard printer supported by Tyler for printing checks. See “Comments” section of Tyler’s Investment Summary for additional details.

### **C.1.5 Key Dates for Hardware Availability**

To prevent delays in the implementation schedule, it is the responsibility of the City to have procured and installed all applicable hardware within 60 days after the effective date of the agreement. Failure to have necessary hardware within 60 days may result in delay in installing the Tyler software on the City’s hardware and may require changes to the implementation schedule.

### **C.1.6 Technical Roles and Responsibilities**

This section defines technical activities, roles and responsibilities using the key defined below.

- Own (O): The party is solely responsible for the task
- Lead (L): The party responsible for the task and may manage other resources
- Participate (P): The party is involved in, but does not lead the task
- Share (S): Both parties are mutually responsible for completing the task. Both parties assume individual responsibility to ensure task is completed

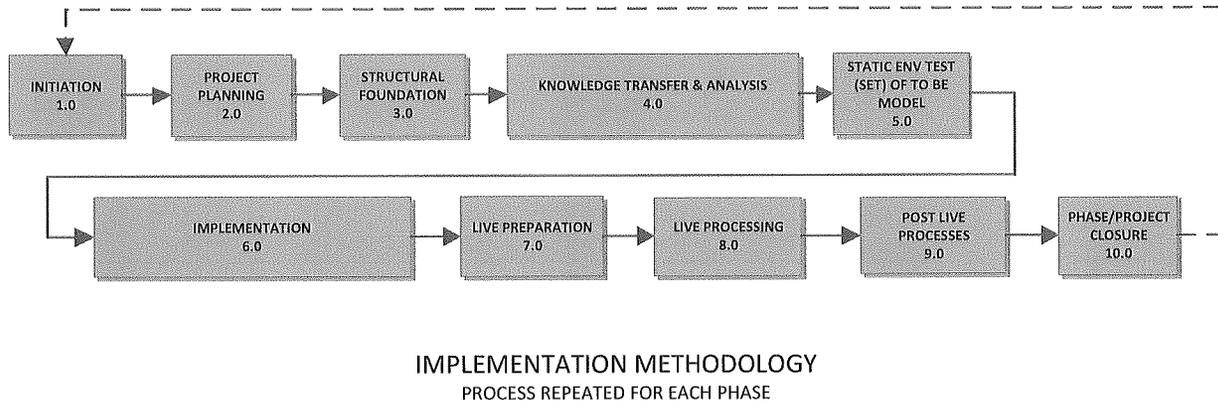
- Review (R): The party is responsible for reviewing work products after task is completed
- None (N): The party is not involved in the task

INSTALLATION			
Task	Description	TYLER	CITY
Hardware Notification	Notify Tyler when VPN hardware arrives	None	Lead
Pre-Installation Conference Call	SaaS to arrange conference call to discuss and finalize installation process	Lead	Participate
Hardware Configuration Confirmation	Confirm VPN hardware and printers are configured and that printers meet Tyler recommended specifications.	Participate	Lead
Installation Resources	Provide necessary resources for installation, includes: Network Admin, Active Directory Admin, Server Admin, and any other required personnel.	Review	Lead
Munis Installation	Install Tyler applications	Own	None
SQL Database	Install and configure SQL database	Own	None
Installation sign-offs	Provide system installation report.	Leads	None
Remote Connectivity	Provide connectivity assistance for remote items	Participate	Lead
Connectivity Performance	Ensure all connectivity requirements as specified by Tyler are met for all users and training facilities	Participate	Lead

## Section D: Implementation

### D.1.1 Implementation Methodology Overview

Throughout a project, we establish control points (critical review points) to ensure an organization fully understands and accepts the project. It is at these check points that organizational stakeholders monitoring the overall project must formally accept the project to date. Once there is formal acceptance, the project will proceed to the next phase.



### D.1.2 Implementation Schedule

The implementation schedule outlining specific tasks and activities required to meet the schedule outlined in Phases 1-3 outlined in Section A of this SOW will be defined in the project plan developed by Tyler.

### D.1.3 Implementation Roles and Responsibilities

This section defines implementation activities and responsibilities for the major phases of the Tyler Implementation Methodology using the key defined below.

- Own (O): The party is solely responsible for the task
- Lead (L): The party responsible for the task and may manage other resources
- Participate (P): The party is involved in, but does not lead the task
- Share (S): Both parties are mutually responsible for completing the task. Both parties assume individual responsibility to ensure task is completed
- Review (R): The party is responsible for reviewing work products after task is completed
- None (N) : The party is not involved in the task

### D.1.4 Project Management

Task	Tyler Role	City Role
<b>Project Management</b>		
MUNIS Project Plan Development & Management	Lead	Review

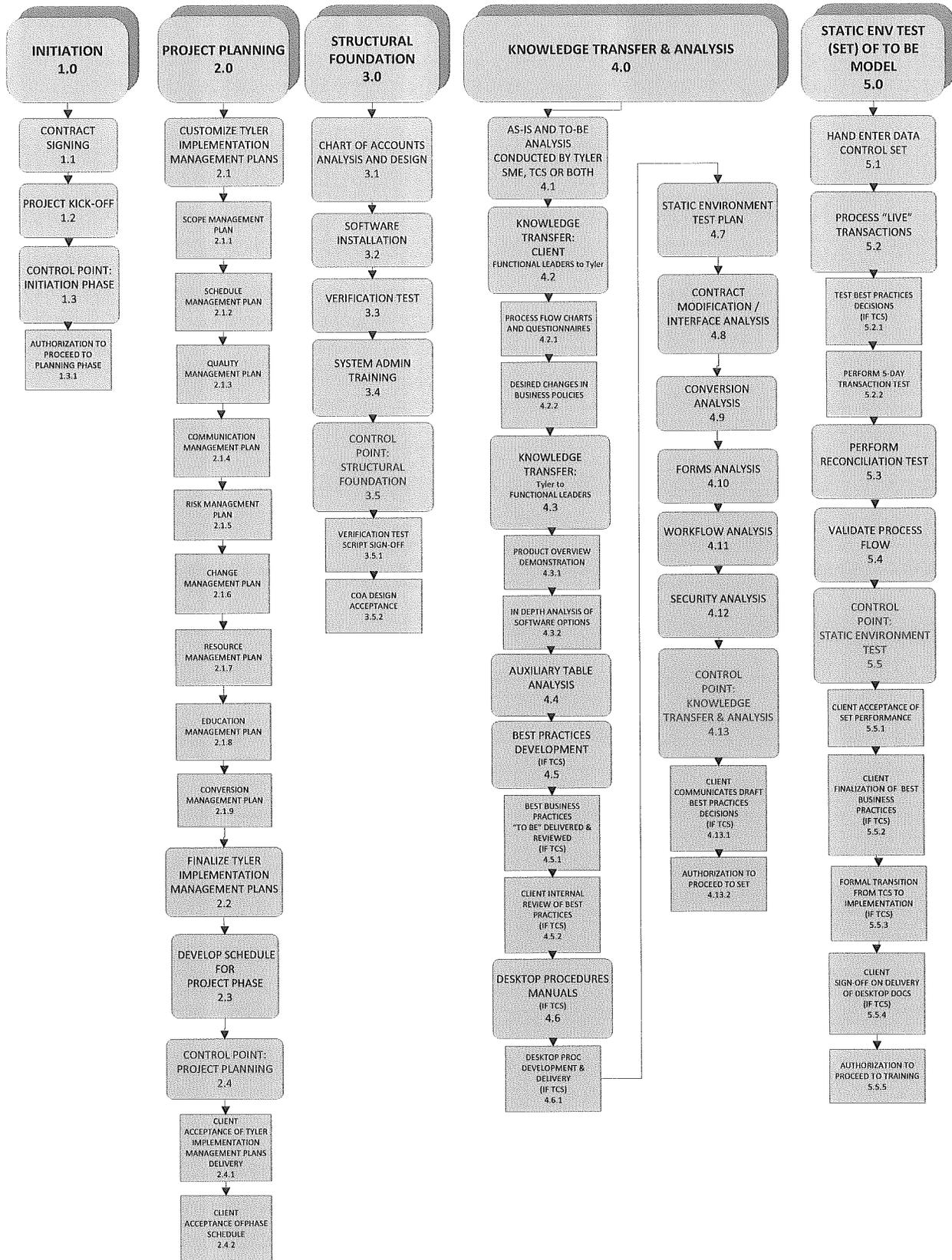
Define MUNIS Project Standards & Procedures	Lead	Participate
Obtain Executive Mandate	None	Own
Manage MUNIS Deliverable Sign-offs	Lead	Participate
Manage MUNIS Implementation Resource Scheduling	Own	None
Monitor MUNIS Project Budget	Share	Share
Risk Management	Share	Share
Coordinate MUNIS Partner 3rd Party Implementations	Lead	Participate
Schedule City Resources	None	Own
Coordinate MUNIS Interdepartmental Activities	Lead	Participate
Coordinate City Interdepartmental Activities	Participate	Lead
Develop and post project status reports	Lead	Participate
Tyler Project Status Meetings	Share	Share
Coordinate and Manage Internal City Project Meetings	None	Own
Monitor City Project Task Completion	Participate	Lead
Track Project Issues	Share	Share

### **D.1.5 Implementation Process Per Phase**

The following implementation process will be repeated for each phase of the project listed in Section A.

#### **D.1.5.1 Planning and Analysis**

This portion of the implementation process commences 30 - 45 days after a contract has been signed. Project team members from the organization are identified. The City's project team will be responsible for monitoring the project and providing formal acceptance of each phase. Once team members have been determined, functional leaders are chosen for the project. Management plans are formed regarding the scope, schedule, quality/testing, communication, and risk of the project. This is accomplished in cooperation with the organization's management. The process of transferring knowledge to and from the functional leaders begins. Tyler consultants then review policies and procedures related to software functionality. Finally, scripts are tested based on decisions made and formal acceptance from the City's project team is obtained before moving to the next phase.



**D.1.5.1.1 Initiation (1.0)**

D.1.5.1.1.1 Contract Signing

Task		Roles & Responsibilities	
		TYLER	CITY
(1.1) Contract Signing	<ul style="list-style-type: none"> <li>Contract signed by City and Tyler, takes place prior to scheduling the Project Kick-off Meeting.</li> </ul>	Share	Share

D.1.5.1.1.2 Kick Off

Task		Roles & Responsibilities	
		TYLER	CITY
(1.2) Project Kick-Off	<ul style="list-style-type: none"> <li>Kick-Off meeting to introduce the City project team, the Tyler project team.</li> <li>Provide an overview of project activities.</li> <li>Opportunity for the City Executive to deliver expectations for participation and change.</li> </ul>	Share	Share

D.1.5.1.1.3 Control Point

Task		Roles & Responsibilities	
		TYLER	CITY
(1.3) Control Point	<ul style="list-style-type: none"> <li>Implementation Phase Control Point</li> </ul>		
(1.3.1) Authorization to Proceed to Planning Phase	<ul style="list-style-type: none"> <li>City confirms readiness to start project planning</li> </ul>	Share	Share

**D.1.5.1.2 Project Planning (2.0)**

D.1.5.1.2.1 Management Plans

Task		Roles & Responsibilities	
		TYLER	CITY
(2.1.1) Review SOW/Complete Scope Management Plan	<ul style="list-style-type: none"> <li>Review/Define scope of project</li> </ul>	Lead	Participate
(2.1.2) Complete Baseline Schedule Management Plan	<ul style="list-style-type: none"> <li>Define project-scheduling guidelines</li> <li>Validate go-live dates</li> <li>Determine blackout dates</li> </ul>	Lead	Participate
(2.1.3) Complete Baseline Quality Management Plan	<ul style="list-style-type: none"> <li>Define quality and test plan and activities for project</li> </ul>	Lead	Participate
(2.1.4) Complete Baseline Communication Management Plan	<ul style="list-style-type: none"> <li>Define communications for project</li> <li>Develop a plan for communications between team members and all other stakeholders</li> </ul>	Lead	Participate
(2.1.5) Complete Baseline Risk Management Plan	<ul style="list-style-type: none"> <li>Assess risks of project</li> <li>Develop a plan for prioritizing and managing risks</li> </ul>	Lead	Participate

(2.1.6) Develop Change Management Plan	<ul style="list-style-type: none"> <li>Provide and review Tyler Change Management tools for customer execution</li> </ul>	Lead	Participate
(2.1.7) Complete Baseline Resource Management Plan	<ul style="list-style-type: none"> <li>Establishes and includes the processes that organize and manage the project team and the necessary physical resources for the project tasks</li> </ul>	Lead	Participate
(2.1.8) Complete Baseline Training Management Plan	<ul style="list-style-type: none"> <li>Lay out the process of transferring knowledge between the City and Tyler</li> <li>Define measurement criteria</li> </ul>	Lead	Participate

#### D.1.5.1.2.2 Conversion and Tyler Forms Planning

Task		Roles & Responsibilities	
		TYLER	CITY
(2.1.9) Review Conversion Plan	<ul style="list-style-type: none"> <li>Review purchased conversions</li> <li>Determine timelines, tasks and methods for validation</li> </ul>	Lead	Participate
Review Tyler Forms Process	<ul style="list-style-type: none"> <li>Introduce the Tyler Forms team</li> <li>Review purchased forms</li> <li>Discuss equipment requirements</li> </ul>	Lead	Participate

#### D.1.5.1.2.3 Project Plan Development

Task		Roles & Responsibilities	
		TYLER	CITY
Discuss Phase Schedule	<ul style="list-style-type: none"> <li>Identify schedule constraints, critical deadlines</li> </ul>	Lead	Participate
Coordinate non-contracted 3rd Party Implementations	<ul style="list-style-type: none"> <li>Develop plan with 3rd Party Vendor to integrate deliverables with Tyler timeline and requirements</li> </ul>	None	Own
Deliver initial Phase Project Plan	<ul style="list-style-type: none"> <li>Develop task list and schedule.</li> <li>Assign ownership</li> <li>Post on City Project SharePoint site.</li> </ul>	Lead	Review
(2.2) Finalize Implementation Management Plans	<ul style="list-style-type: none"> <li>Update Implementation Planning document with Planning Session results</li> </ul>	Lead	Participate
(2.3) Develop Schedule for Project Phase	<ul style="list-style-type: none"> <li>Tyler PM will create a proposed schedule for the first phase of the project</li> </ul>	Lead	Participate
(2.4) Control Point Project Planning	<ul style="list-style-type: none"> <li>Project Planning Control Point</li> </ul>		
(2.4.1) City Acceptance of Tyler Implementation Management Plans Delivery	<ul style="list-style-type: none"> <li>City signs-off to accept the Implementation Plans</li> </ul>	Participate	Lead
(2.4.2) City Acceptance of Phase Schedule	<ul style="list-style-type: none"> <li>City signs-off to accept the Phase Schedule</li> </ul>	Participate	Lead

### D.1.5.1.3 Structural Foundation (3.0)

#### D.1.5.1.3.1 Chart of Accounts

Task		Roles & Responsibilities	
		TYLER	CITY
(3.1) Chart of Accounts Analysis	<ul style="list-style-type: none"> <li>Discuss COA needs, Munis set up and options</li> <li>Determine structure for COA</li> </ul>	Lead	Participate
Build Chart Spreadsheet	<ul style="list-style-type: none"> <li>Build Excel COA spreadsheet with new structure</li> </ul>	Participate	Lead
Convert Chart Spreadsheet	<ul style="list-style-type: none"> <li>Write and execute program to convert COA spreadsheet into Munis GL</li> </ul>	Own	None
Load COA Conversion in Test DB	<ul style="list-style-type: none"> <li>Load converted COA into test database for validation</li> </ul>	Participate	Lead
Validate Converted Chart	<ul style="list-style-type: none"> <li>Confirm that the COA details in the spreadsheet match the converted data in Munis</li> </ul>	Participate	Lead
(3.5.2) Authorize COA to be loaded in Live DB	<ul style="list-style-type: none"> <li>City acceptance of COA</li> </ul>	None	Own
Load COA in Live DB	<ul style="list-style-type: none"> <li>The new COA becomes part of the live database</li> </ul>	Lead	Participate

#### D.1.5.1.3.2 Hardware & Software Installation

Task		Roles & Responsibilities	
		TYLER	CITY
(3.2) Perform Software Installation & System Admin Training	<ul style="list-style-type: none"> <li>Install server(s)</li> <li>Install purchased software</li> <li>Train City on system setup, configuration and maintenance</li> </ul>	Lead	Participate
Acceptance of Installation	<ul style="list-style-type: none"> <li>City acceptance of installation and training</li> </ul>	None	Own
(3.3) Perform Verification Test	<ul style="list-style-type: none"> <li>Perform scripted test to validate baseline software performance</li> </ul>	Lead	Participate
(3.5.1) Acceptance of Verification Test	<ul style="list-style-type: none"> <li>City acceptance of baseline test</li> </ul>	None	Own

#### D.1.5.1.3.3 System Administration

Task		Roles & Responsibilities	
		TYLER	CITY
(3.4) System Admin Training	<ul style="list-style-type: none"> <li>Train City on User ID's, permissions, etc.</li> </ul>	Lead	Participate
Build System Admin Tables	<ul style="list-style-type: none"> <li>City adds Users, builds permissions, etc.</li> </ul>	Participate	Lead

#### D.1.5.1.3.4 Control Point

Task		Roles & Responsibilities	
		TYLER	CITY
(3.5) Control Point for Structural Foundation	<ul style="list-style-type: none"> <li>(3.5.1) Verification Test Script Sign-Off</li> <li>(3.5.2) COA Design Acceptance</li> </ul>	Participate	Lead

**D.1.5.1.4 Knowledge Transfer and Analysis (4.0)**

**D.1.5.1.4.1 As-Is & To-Be Analysis**

Task		Roles & Responsibilities	
		TYLER	CITY
(4.1) Perform As-Is Analysis	<ul style="list-style-type: none"> <li>Conduct analysis of City's current business practices</li> <li>Process questionnaires</li> </ul>	Lead	Participate
(4.1) Perform To-Be Analysis	<ul style="list-style-type: none"> <li>Conduct analysis of desired process changes</li> <li>Review Flow Charts</li> <li>Perform needs assessment</li> <li>Review available options</li> </ul>	Lead	Participate
Facilitate To-Be Sessions	<ul style="list-style-type: none"> <li>Facilitates discussions of business process change</li> </ul>	Participate	Lead

**D.1.5.1.4.2 Knowledge Transfer**

Task		Roles & Responsibilities	
		TYLER	CITY
(4.2) Knowledge Transfer: City	<ul style="list-style-type: none"> <li>As-Is Analysis – City provides information to Tyler about current business practices</li> </ul>	Lead	Participate
(4.2.1) Process flow charts and questionnaires	<ul style="list-style-type: none"> <li>Review inventory of processing, configuration and data flow options</li> </ul>	Lead	Participate
(4.2.2) Desired Changes in Business Process	<ul style="list-style-type: none"> <li>Review desired changes in business processes and data flows</li> </ul>	Lead	Participate
(4.3) Knowledge Transfer: Tyler to Functional Leads	<ul style="list-style-type: none"> <li>To-Be Analysis – Tyler provides information to City about module with discussion of desired process changes</li> </ul>	Lead	Participate
(4.3.1) Product Overview Demonstration	<ul style="list-style-type: none"> <li>Review module organization and processing flow</li> </ul>	Lead	Participate
(4.3.2) Analysis of Software Options	<ul style="list-style-type: none"> <li>Review module parameters, code configurations and work flow options</li> </ul>	Lead	Participate
(4.4) Perform Set Up Table Analysis	<ul style="list-style-type: none"> <li>Conduct analysis of set up tables codes and parameters</li> </ul>	Lead	Participate

D.1.5.1.4.3 Static Environment Test Plans

		Roles & Responsibilities	
Task		TYLER	CITY
(4.7) Static Environment Test Plans	<ul style="list-style-type: none"> <li>Compile information gathered during analysis and prepare scripts for To-Be Test (Static Environment Test)</li> </ul>	Own	None

D.1.5.1.4.4 Interface & Modification Analysis and Spec Development

		Roles & Responsibilities	
Task		TYLER	CITY
(4.8) Perform Interface Analysis	<ul style="list-style-type: none"> <li>Perform detailed analysis of custom interfaces identified in contract</li> <li>Validate requirement and interaction with process decisions</li> </ul>	Lead	Participate
(4.8) Perform Modifications Analysis	<ul style="list-style-type: none"> <li>Perform detailed analysis of custom modifications identified in contract</li> <li>Validate requirement and interaction with process decisions</li> </ul>	Lead	Participate

D.1.5.1.4.5 Reporting Analysis

		Roles & Responsibilities	
Task		TYLER	CITY
See section D.1.7			

D.1.5.1.4.6 Data Conversion Analysis

		Roles & Responsibilities	
Task		TYLER	CITY
(4.9) Perform Conversion Analysis	<ul style="list-style-type: none"> <li>Review and develop initial crosswalk for purchased conversions</li> </ul>	Lead	Participate

D.1.5.1.4.7 Forms Analysis

		Roles & Responsibilities	
Task		TYLER	CITY
(4.10) Perform Tyler Forms Analysis	<ul style="list-style-type: none"> <li>Review purchased Tyler Forms mock-up kits and layout options</li> </ul>	Lead	Participate
Complete Tyler Forms Kits	<ul style="list-style-type: none"> <li>Complete mock-up of selected form designs and submit to Tyler Forms</li> </ul>	Participate	Lead

D.1.5.1.4.8 Workflow Analysis

		Roles & Responsibilities	
Task		TYLER	CITY
(4.11) Perform Workflow Analysis	<ul style="list-style-type: none"> <li>Discuss options for workflow settings and desired process flow</li> <li>Develop matrix for workflow settings</li> </ul>	Lead	Participate

D.1.5.1.4.9 Security Analysis

		Roles & Responsibilities	
Task		TYLER	CITY
(4.12) Perform Security Analysis	<ul style="list-style-type: none"> <li>Discuss options for security settings within applications</li> <li>Develop matrix for security settings</li> </ul>	Lead	Participate

D.1.5.1.4.10 Knowledge Transfer & Analysis Control Point

Task		Roles & Responsibilities	
		TYLER	CITY
(4.13) Control Point for Knowledge Transfer & Analysis	<ul style="list-style-type: none"> <li>N/A</li> </ul>		
(4.13.1) City Communicates final to-be setup decisions	<ul style="list-style-type: none"> <li>City Communicates to-be setup decisions</li> </ul>	Participate	Lead
(4.13.2) Authorization to Proceed to SET	<ul style="list-style-type: none"> <li>City signs-off to accept Knowledge Transfer &amp; Analysis to proceed to SET</li> </ul>	Participate	Lead

**D.1.5.1.5 Static Environment Test of To-Be Model (5.0)**

D.1.5.1.5.1 Control Data Set

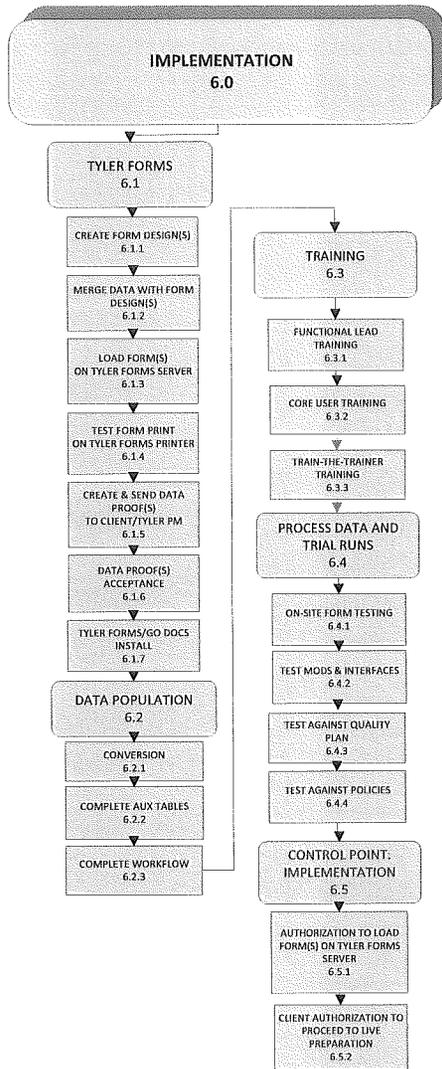
Task		Roles & Responsibilities	
		TYLER	CITY
(5.1) Create Data Set	<ul style="list-style-type: none"> <li>Hand Key representational data using actual City records</li> </ul>	Lead	Participate

D.1.5.1.5.2 Validate Process Flow & Procedural Decisions

Task		Roles & Responsibilities	
		TYLER	CITY
(5.2) Perform To-Be Test (Static Environment Test) Process "Live" Transactions	<ul style="list-style-type: none"> <li>Conduct demonstration of To-Be decisions in Munis with hand-keyed data</li> </ul>	Lead	Participate
Validate New Process Flow	<ul style="list-style-type: none"> <li>Perform representational City transactions to test overall process flow design</li> </ul>	Lead	Assist
Finalize To-Be Decisions	<ul style="list-style-type: none"> <li>City validates To-Be decisions</li> </ul>	None	Owns
Create Sample Data File	<ul style="list-style-type: none"> <li>Produce sample data files for applicable forms</li> </ul>	Lead	Participate
(5.2.1) Test to-be decisions	<ul style="list-style-type: none"> <li>Perform representational City transactions following to-be decisions</li> </ul>	Lead	Participate
(5.2.2) Perform Transaction Test	<ul style="list-style-type: none"> <li>Perform representational City transactions</li> </ul>	Lead	Participate
(5.3) Perform Reconciliation Test	<ul style="list-style-type: none"> <li>View results of hand entered data via reports and inquiries</li> </ul>	Lead	Participate
(5.4) Validate Process Flow	<ul style="list-style-type: none"> <li>Test overall process flow design</li> </ul>	Lead	Participate
(5.5) Control Point: Static Environment Test	<ul style="list-style-type: none"> <li>N/A</li> </ul>		
(5.5.1) City Acceptance of SET performance	<ul style="list-style-type: none"> <li>City signs-off to accept results of the SET testing</li> </ul>	Participate	Lead
5.5.2 City Finalization of to-be decisions	<ul style="list-style-type: none"> <li>City finalizes to-be decisions</li> </ul>	Participate	Lead
(5.5.5) Authorization to Proceed to Training	<ul style="list-style-type: none"> <li>City signs-off on entire SET process to authorize readiness to proceed to training</li> </ul>	Participate	Lead

### D.1.5.2 Setup, Training and Conversion

This portion of the implementation begins with data conversion, forms design, table and preference setup, and primary-user training. System testing follows the completion of these tasks. This testing will determine the success of the knowledge transfer to end users. Formal acceptance from the City’s project team is required before advancing to the next phase.



**D.1.5.2.1 Implementation (6.0)**

**D.1.5.2.1.1 Tyler Forms**

		Roles & Responsibilities	
(6.1.1) Create Form Designs	<ul style="list-style-type: none"> <li>Tyler Forms creates form designs from City mock-ups</li> </ul>	Own	None
(6.1.2) Merge Sample Data Files	<ul style="list-style-type: none"> <li>Tyler Forms merges data from To-Be Test with Form designs</li> </ul>	Own	None
Review Data Proofs	<ul style="list-style-type: none"> <li>City validates form design, content and layout</li> </ul>	Participate	Lead
(6.5.1) Accept Form Design	<ul style="list-style-type: none"> <li>City accepts form design and authorizes installation</li> </ul>	None	Own
(6.1.3) Install Forms Server	<ul style="list-style-type: none"> <li>Tyler Forms installs Forms Server on City server</li> </ul>	Lead	Participate
(6.1.4) Test Forms	<ul style="list-style-type: none"> <li>Perform test of Tyler Forms through process testing and training</li> </ul>	Shared	Shared
Secure Bank Acceptance	<ul style="list-style-type: none"> <li>Submit forms to bank for approval.</li> </ul>	None	Owns
(6.1.5) Create and Send Data Proofs to City/Tyler PM	<ul style="list-style-type: none"> <li>Tyler sends form design proofs for review and acceptance</li> </ul>	Lead	Participate
(6.1.6) Tyler Forms/Go Docs Install	<ul style="list-style-type: none"> <li>Tyler Forms installs final forms on City server</li> </ul>	Lead	Participate
(6.1.7) Install Tyler Forms Library	<ul style="list-style-type: none"> <li>Tyler installs Forms Library on City server</li> </ul>	Lead	Participate

**D.1.5.2.1.2 Data Population**

		Roles & Responsibilities	
Task		TYLER	CITY
(6.2) Conversion	<ul style="list-style-type: none"> <li>Prepare system parameters and codes to align with data mapping</li> </ul>	Lead	Participate
Set Up Table Training	<ul style="list-style-type: none"> <li>Train City on completion of Set Up Tables according to analysis sessions</li> </ul>	Lead	Participate
Workflow Training	<ul style="list-style-type: none"> <li>Train City on Workflow completion</li> </ul>	Leads	Participate
(6.2.2) Complete Set Up Tables	<ul style="list-style-type: none"> <li>City builds Set Up tables</li> </ul>	Participate	Leads
(6.2.3) Workflow Completion	<ul style="list-style-type: none"> <li>City builds Workflow</li> </ul>	Participate	Lead
Submit Conversion Data & Produce Balancing Reports	<ul style="list-style-type: none"> <li>City pulls data from legacy system and submits to Tyler, produces balancing reports</li> </ul>	None	Own
(6.2.1) Run Conversion Program	<ul style="list-style-type: none"> <li>Write and execute program to convert submitted data according to crosswalk</li> </ul>	Own	None
Train Conversion Validation Process	<ul style="list-style-type: none"> <li>Train City on methods for validating converted data in Munis</li> </ul>	Lead	Participate
Validate Data Conversions	<ul style="list-style-type: none"> <li>City validates converted data using error reports, balancing reports, etc.</li> </ul>	None	Own
Submit Conversion Corrections	<ul style="list-style-type: none"> <li>City documents and submits needed corrections to conversion</li> </ul>	Participate	Lead
Accept Conversions	<ul style="list-style-type: none"> <li>City acceptance of data conversions and authorization to load</li> </ul>	None	Own

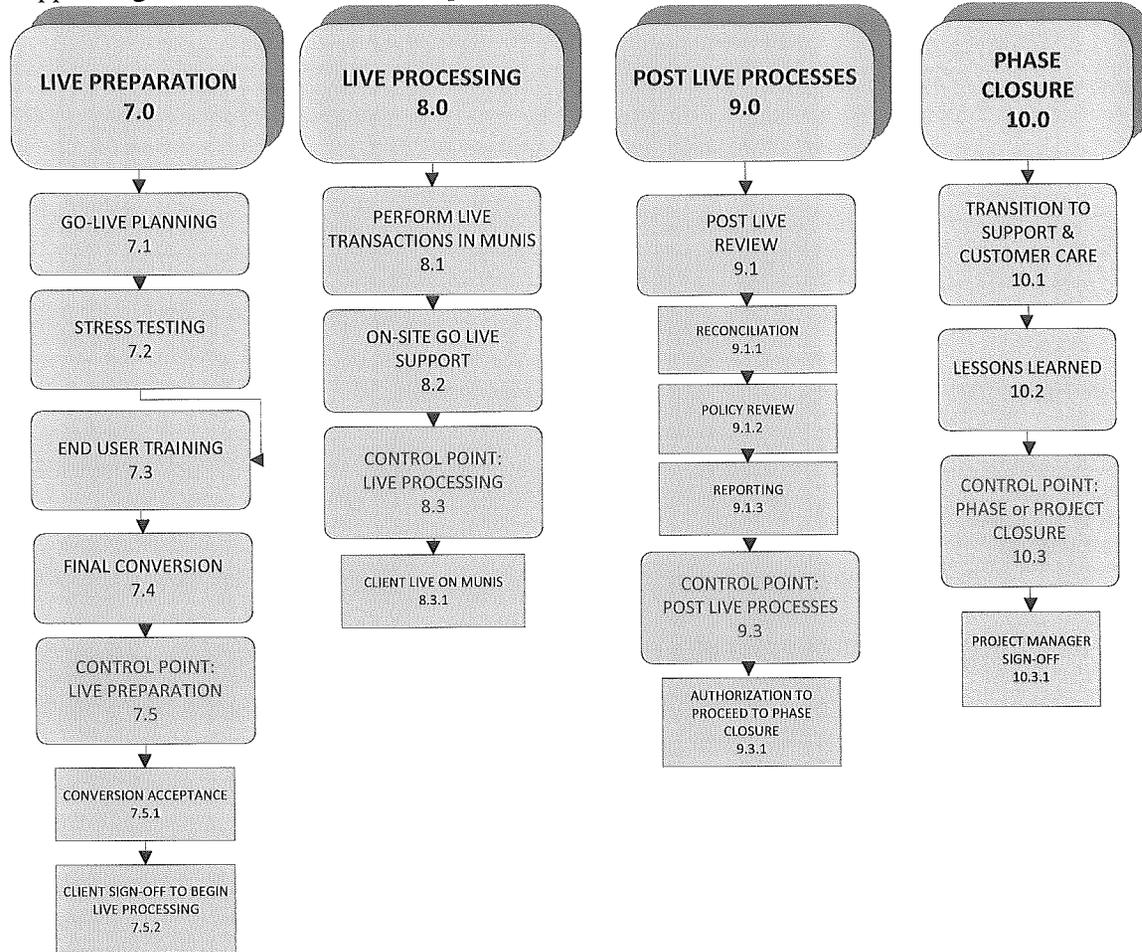
**D.1.5.2.1.3 Training & Testing**

		Roles & Responsibilities	
Task		TYLER	CITY
(6.3.1) Train Functional Leads/Subject Matter Experts	<ul style="list-style-type: none"> <li>Train Functional Leads/Subject Matter Experts on applicable Munis processing</li> </ul>	Lead	Participate
(6.3.2) Train Core Users	<ul style="list-style-type: none"> <li>Train Core Users on applicable Munis processing</li> </ul>	Lead	Participate
(6.3.3) Train-the-Trainer	<ul style="list-style-type: none"> <li>Train City's Trainer on End User processes</li> </ul>	Lead	Participate

Train Decentralized End Users	<ul style="list-style-type: none"> <li>Train City's Decentralized End Users</li> </ul>	None	Own
(6.4) Train and Perform 1st Trial Run/Parallel Process	<ul style="list-style-type: none"> <li>Train City on completing Trial Run/Parallel processes</li> </ul>	Lead	Participate
(6.4.1) On-Site From Testing	<ul style="list-style-type: none"> <li>Train City on process of printing and testing forms</li> </ul>	Lead	Participate
(6.4.2) Test Mods and Interfaces	<ul style="list-style-type: none"> <li>Train City on process of modification and interface programs</li> </ul>	Lead	Participate
(6.4.3) Test Against Quality Plan	<ul style="list-style-type: none"> <li>Verify programs work according to definition in quality plan</li> </ul>	Lead	Participate
(6.4.4) Test Against Policies	<ul style="list-style-type: none"> <li>Verify process meets policy decisions</li> </ul>	Lead	Participate
Perform Additional Trial Run/Parallel Processes	<ul style="list-style-type: none"> <li>Complete Trial Run/Parallel process steps, identify discrepancies and correct</li> </ul>	Participate	Lead
(6.5) Control Point: Implementation	<ul style="list-style-type: none"> <li>N/A</li> </ul>		
(6.5.2) City Authorization to Proceed to Live Preparation	<ul style="list-style-type: none"> <li>City sign-off on Training – acknowledging readiness for go-live</li> </ul>	Participate	Lead

### D.1.5.3 Live Preparation, Go-Live and Phase Closure

This portion of the implementation begins with a pre-live process review, proceeds to final training and conversion to be followed by quality assurance testing. The phase closes with a transition to the product Support organization and formal acceptance from the City’s project team.



#### D.1.5.3.1 Live Preparation (7.0)

Task		Roles & Responsibilities	
		TYLER	CITY
(7.1) Pre-Live Planning	<ul style="list-style-type: none"> <li>City and Tyler meet to outline go-live steps, requirements and assignments</li> </ul>	Lead	Participate
Perform Go-Live Readiness Assessment	<ul style="list-style-type: none"> <li>Evaluate readiness of City staff to perform live process from training and change management prospective</li> </ul>	Share	Share
Cut Off Legacy System	<ul style="list-style-type: none"> <li>City ceases activities in applicable legacy applications</li> </ul>	None	Own
Submit Final Conversion Data & Produce Balancing Reports	<ul style="list-style-type: none"> <li>City pulls Final Conversion data and submits to Tyler</li> </ul>	None	Own
(7.2) Stress Testing	<ul style="list-style-type: none"> <li>City performs any desired stress testing</li> </ul>	None	Own

(7.3) End User Training	<ul style="list-style-type: none"> <li>City trains decentralized end users</li> </ul>	None	Own
(7.4) Run Final Conversion Program	<ul style="list-style-type: none"> <li>Execute program to convert submitted final data according to crosswalk</li> </ul>	Own	None
Validate Final Data Conversions	<ul style="list-style-type: none"> <li>City validates converted data using error reports, balancing reports, etc.</li> </ul>	None	Own
(7.5.1) Accept Conversions & Authorize Load to Live	<ul style="list-style-type: none"> <li>City accepts final conversions and authorizes them to be loaded in Live Database</li> </ul>	None	Own
Live data load	<ul style="list-style-type: none"> <li>Load data into Live environment</li> </ul>	Share	Share
(7.5.2) Authorize Live Processing	<ul style="list-style-type: none"> <li>City authorizes City users to begin live processing</li> </ul>	None	Own

**D.1.5.3.2 Live Processing (8.0)**

Task		Roles & Responsibilities	
		TYLER	CITY
(8.0) Live Processing	<ul style="list-style-type: none"> <li>City begins live processing in system</li> </ul>	Assist	Lead
(8.1) Perform Live Transactions in MUNIS	<ul style="list-style-type: none"> <li>City begins live processing in system</li> </ul>	Assist	Lead
(8.2) On-Site Go Live Support	<ul style="list-style-type: none"> <li>Tyler is on-site to support go-live processing</li> </ul>	Lead	Participate
(8.3) Control Point: Live Processing	<ul style="list-style-type: none"> <li>N/A</li> </ul>		
(8.3.1) City Live on MUNIS	<ul style="list-style-type: none"> <li>City is Processing in System</li> </ul>	Assist	Lead

**D.1.5.3.3 Post-Live Process (9.0)**

Task		Roles & Responsibilities	
		TYLER	CITY
(9.1.1) Train Reconciliation Processes	<ul style="list-style-type: none"> <li>Review Reconciliation Process training</li> </ul>	Lead	Participate
Provide Post Live Support	<ul style="list-style-type: none"> <li>Provide assistance to City's users while performing live processes</li> <li>Work to resolve any outstanding issues</li> </ul>	Lead	Assist
Complete Outstanding Training	<ul style="list-style-type: none"> <li>Identify and complete any outstanding training on live applications</li> </ul>	Lead	Participate
(9.1.2) Policy Review	<ul style="list-style-type: none"> <li>Review Policy and Procedure decisions</li> </ul>	Participate	Lead
(9.1.3) Reporting	<ul style="list-style-type: none"> <li>Train City on 3<sup>rd</sup> Party Reporting functionality</li> </ul>	Lead	Participate
(9.3.1) Authorization to proceed to phase closure	<ul style="list-style-type: none"> <li>City authorizes post-live process and proceeds to phase closure</li> </ul>	Participate	Lead

**D.1.5.3.4 Phase Closure (10.0)**

Task		Roles & Responsibilities	
		TYLER	CITY
(10.1) Transition to Support	<ul style="list-style-type: none"> <li>Conference call to introduce Transition Project Manager and Support</li> </ul>	Lead	Participate
(10.2) Document Lessons Learned	<ul style="list-style-type: none"> <li>City and Tyler discuss Lessons Learned for future phases, if applicable</li> </ul>	Share	Share
10.3.1) Final Acceptance	<ul style="list-style-type: none"> <li>City accepts Phase Closure</li> </ul>	None	Own

## **D.1.6 Modifications**

### **D.1.6.1 Definition of a Program Modification**

Program customizations typically involve changes or additions in program functionality in order to affect some new, desired result within the Munis programs.

### **D.1.6.2 Definition of an Interface Modification**

Custom interfaces typically involve creating custom layout, web services, etc. for the purpose of receiving, sending, or exchanging data between Munis and a third party system.

So long as the 3<sup>rd</sup> party system integrating with Munis can use the existing Munis formats / methods, then programming charges will not be required. However, if Tyler needs to change any of its formats to meet the needs of 3<sup>rd</sup> party products, then programming charges will be incurred at the prevailing contract rates.

Tyler requires an active support agreement with the third party system and for the City to be on a current version actively supported by the manufacturer/developer of the product installed.

### **D.1.6.3 Specification Development**

Tyler provides development representatives to ensure an accurate and timely delivery of the desired functional changes. Tyler development representatives will be assigned to manage and monitor activities such as discovery calls, definition documents and delivery milestones. The development representatives work closely with the implementation team, as well as the City, to reach the goal of a successful modification/interface delivery.

### **D.1.6.4 Program Modification or Custom Interface Summary Document**

The Program Modification or Custom Interface Summary Document contains descriptions and details of the desired Modification. This document identifies exactly what the City requested modification needs to accomplish and is completed as a result of Tyler development representatives reviewing contract documentation, completing discovery calls, onsite analysis visits (if necessary), and subsequent analysis. Final documentation steps should be completed and sent to City within ten (10) business days after analysis. A copy of the modification summary document is sent to City representative and project manager for review and signature. The standard signoff period is ten (10) business days, unless additional time is mutually agreed upon.

### **D.1.6.5 Modification Signoff Document**

This document completes the process, indicating the City has received the program Customization and it functions as defined in previous documents.

### **D.1.6.6 Incorporation of Modifications/Interfaces into a MUNIS General Release**

#### **D.1.6.6.1 Approval Process for Incorporation**

Customizations and interfaces provided by Tyler Development staff become part of the general release of the system. Contract Customizations and interfaces as well as post-contract programming changes follow

a formal Customization/Change Process. A Product Manager and the Vice-President of Development evaluate each post-contract request for development quote. A written response is submitted to the City evaluating the feasibility of the request, whether a solution is covered at no charge or involves a fee, an estimated time frame for completion and the applicable MUNIS General Release version. We attempt to provide a programming solution that has the ability to be used with parameters and settings to allow for subsequent use and broad appeal.

**D.1.6.6.2 Impact of Modification/Interface Delivery on Implementation**

As code changes will be delivered approximately six (6) months after applicable project phase inception there are certain logistics that must be factored into the project plan to accommodate this process. If customizations require upgrading to a new release, plans must be made to introduce the new release into a test environment and conducting thorough cross-module testing, especially for modules already in live production. The City owns this testing and all of these activities must be carefully coordinated with other ongoing phases of implementation.

**D.1.6.6.3 Installation**

At the time of software installation, the most current product available will be installed, but will not contain the customizations ordered by the City. Customizations will be developed as part of the implementation as defined in this Statement of Work.

**D.1.6.6.4 Project Release Schedule**

Customizations are delivered through Tyler Munis Internet Update utility to be loaded against releases in accordance with Tyler’s published release life cycle policy (see Appendix I.1.4). This is done in order to predict and schedule release upgrades during the planned implementation phases and to provide the assurance of continually operating on a fully supported release for live modules. As such, the following upgrade schedule will need to be followed to ensure timely delivery of agreed to go-live customizations:

Munis Release	Target Test System Deployment	Target Live System Deployment
Version 10.5 (General Availability)	Upon installation	Upon installation
Version 11.1 (Early Adopter)		

**D.1.6.7 Scope of Customizations and Interfaces**

All customizations are listed in Exhibit xx. The following customizations have been identified as required for go-live:

- There are no customizations or interfaces in the scope of this project

**D.1.6.8 Interface Scope**

See Exhibit xx for the interfaces that are considered in scope. The following interfaces have been identified as required for go-live:

- There are no customizations or interfaces in the scope of this project

**D.1.6.9 Customizations & Interfaces Roles & Responsibilities**

**D.1.6.9.1 Customizations**

Task	Description	Responsibility	
		TYLER	CITY
Discovery of customization requirements	Through analysis, functional requirements will be defined	Lead	Participate
Requirement Validation	The City, Tyler Consultants and Tyler Development Representatives verify Customization is necessary through exploration of existing options	Lead	Participate
Create Customization Summary	Tyler Development Representative will work with the City to write a basic summary outline of customization functionality	Lead	Participate
Create Detailed Customization Specification Document	Tyler Development Representative review Customization Summary and create City Specification document that describes how and where the program changes will occur in order to accomplish functional requirements	Own	None
Specification Sign-Off, Authorization to Proceed	Tyler will deliver a written specification to City, outlining functional changes, cost, timeline and version requirements. This document must be signed prior to any work being performed by Tyler	None	Own
Development of Customization	Tyler will program changes as outlined in the signed specification document. Changes subsequent to sign-off will be considered out of scope and may require repetition of previous steps	Own	None
Customization QA	Tyler's QA team will test customization within applicable, impacted modules	Own	None
Customization Delivery and Demonstration	Tyler will deliver and demonstrate customization as scheduled. Demonstration will include validating compliance with written specification	Lead	Participate
Test Customization	City will validate performance of customization through repeated unit testing as well as process testing throughout implementation	Participate	Lead
Customization Acceptance	Tyler will deliver a written Acceptance Sign-Off for the customization. Acceptance is expected within 30 days of delivery unless City notifies Tyler in writing of non-compliance with specification	None	Own

**D.1.6.9.2 Interfaces**

Task	Description	Responsibility	
		Tyler	City
Provide Data Map	Data map of the 3 <sup>rd</sup> party system will be provided by the City, along with instructions or crosswalks that need to be developed	Participate	Lead

Design Data Mapping	Data will be mapped between the systems to which Tyler needs to interface and the Tyler interface format	Lead	Participate
Develop Custom Specification	A document is created describing the interface purpose, type, direction and system impacts (if any)	Own	Participate
Develop Custom Programs	Programs will be developed to import/export Tyler data in format required	Own	None
Modification Procedure Document	A document is created describing the interface and how to utilize it	Lead	Participate
Import/Export data from/to the Tyler data tables into/out of the Tyler applications	Tyler trains applicable City users to import/export data from the Tyler data tables into/out of the Tyler applications	Share	Share
Create schedule for executing imports/export	A schedule is defined to execute the imports/exports	Participate	Lead

Tyler requires an active support agreement with the third party system and for the City to be on a current version actively supported by the manufacturer/developer of the product installed.

### D.1.7 Tyler Reporting Services (TRS) SSRS Report Development

The Tyler suite of programs contains hundreds of canned system reports, each utilizing configurable user-supplied parameters to provide hundreds of reporting variations. However, Tyler recognizes that its clients want the flexibility to create even more unique reports and queries to fit their own business needs. Tyler has included Report Writing training as part of our Proposal. The City will also have available a Report Library of over 200 reports via the MUNIS Support Website.

Training will be conducted during the first phase of the implementation, or within 60 days of go-live, whichever is deemed a better fit by the City. Tyler uses a “train the trainer” approach, which will provide certain individuals within the City with the tools necessary to train additional users on the subject matter as they see fit.

Tyler Reporting Services utilizes an SQL report writing tool called Business Intelligence Development Studio (BIDS) to extract data from the MUNIS system and create custom reports. Once trained, the City will have the ability to create their own custom reports and modify any report from the TRS Report Library. TRS training does not include the authoring of custom reports for the City by Tyler.

#### D.1.7.1 SSRS Report Development Roles & Responsibilities

Task	Tyler Responsibility	City Responsibility
Determine all reporting needs for all modules	None	Own
Prioritize reports by required date (must have upon go-live, quarterly reports, annual reports, sporadic/seldom used reports)	Participate	Lead
Analyze canned reports in MUNIS system for matching data to required reports	Participate	Lead
Determine fit / gaps of canned MUNIS reports to reporting requirement requests	Participate	Lead
Identify custom reporting needs	Participate	Lead
Train users on reporting tools	Lead	Participate

Develop custom reports	None	Own
------------------------	------	-----

## D.1.8 Data Conversion

### D.1.8.1 Data Conversion Scope

Tyler delivers all conversions at a flat rate. Conversions are billed as the work is completed upon completion of agreed to milestones defined in the agreement, therefore, the City will only be charged for those data conversions that are executed in the implementation of the software.

The following conversion options are a comprehensive list that represents the quoted modules included in the Tyler proposal and considered in scope. Requests to convert data outside of the contracted conversion options or failing to adhere to the noted conversion assumptions below will be considered out of scope and will be billed at prevailing contract rates.

Conversion ID	Description
AC Opt 1 - Actuals	General ledger – actual account summary balances for up to 3 years, to be populated in the GL Master and GL Master Balance tables
AC Opt 2 - Budgets	General Ledger – budgeted account balances for up to 3 years, to be populated in the MUNIS GL Master and GL Master Balance tables. This can include the original budget, budget adjustments and revised budget
AC Standard COA	Chart of Accounts conversion from spreadsheet (to be provided during COA analysis)
AP Opt 1 - Checks	Check History
AP Opt 2 - Invoice	Invoice History
AP Standard Master	Vendor Master
BL Opt 1 – Bills	Business License – Bills containing Accounts Receivable amounts
BL Standard Master	Business License – Business ID, Owner Information, Parcel Number, Business Address, SSN/FID, Operation Information (name, address), Real Estate Owner (name, address), Business Start and End Dates, License Information (issue date, expiration date, license type, last bill date, last paid date)
FA Opt 1 – History	Fixed Assets transaction history
FA Standard Master	Fixed Assets Master
GB Opt 1 – Recurring Invoices	General Billing - Recurring bill templates
GB Opt 2 – Bills	General Bills
GB Standard CID	Customer File
IN – Opt 1 – Commodity Codes	Commodity Codes
IN Std Masger	Inventory Master
PR Opt 1 - Deductions	Employee Deductions
PR Opt 10 - Certifications	Employee Certifications and Expirations
PR Opt 11 – Education	Employee Education History
PR Opt 2 – Accrual Balances	Employee Accrual Balances
PR Opt 3 - Accumulators	YTD, QTD, MTD Accumulators
PR Opt 4 – Check History	Payroll Check History
PR Opt 5 – Earn/Ded History	Payroll Earnings and Deductions History
PR Opt 6 – Applicant Tracking	Applicants and Job Openings

PR Opt 7 – PM Action History	Personnel Actions History
PR Opt 8 – Position Control/Hist	Payroll Position Control and History
PR Opt 9 – State Retirement Tables	Employee retirement
PR Standard	Payroll Employee Master
Permits – Opt 1	Permits and Code Enforcement – Applications
Permits – Opt 2	Permits and Code Enforcement – Violations and Complaints
Permits – Opt 3	Permits and Code Enforcement – Inspections
Permits – Standard	Permits and Code Enforcement – Active Permit Master – Parcel and Location information, Contractor and Tradesman information (licensing, registration, contact info), Customers (name, address)
Project Grant Accounting Opt 1 - Actuals	Project& Grants – actual account summary balances
Project Grant Accounting Opt 2 - Budgets	Project& Grants – budgeted account summary balances
Project Grant Accounting Standard	Conversion from Project & Grant spreadsheet (to be provided during COA analysis)
PO Standard	Open purchase orders with encumbrances
UB Standard Master	Account Master
UB Opt 1 - Services	Billable service records for each account
UB Opt 2 – Assessments	Assessment Records
UB Opt 3 – Consumption History	Consumption History
UB Opt 4 – Balance Forward A/R	Balance Forward AR by outstanding service
UB Opt 5 – Service Orders	Service Order Records
UB Opt 6 – Backflow	Backflow device, type & Violations
WO Opt 1	Work Order Assets
WO Opt 2	Closed Work Order history – no cost data
WO Opt 3	Work Order history with cost data

### D.1.8.2 Data Conversion Roles & Responsibilities

Task	Description	TYLER	CITY
Data Mapping	Through analysis, fields in legacy systems and Munis will be outlined for conversion.	Share	Share
Run Validation Reports	The City is responsible for producing reports from the legacy system at the time of data extraction. These reports are critical for use during conversion validation	None	Own
Extract data	The City is responsible for extracting the data from a legacy system into the accepted Munis layout	None	Own
Develop conversion programs based on City data mapping and file submission layout.	Tyler will program conversion programs according to the accepted file submission layout. This layout must be maintained consistently for all future data submissions or additional charges may apply	Own	None

Load Data Conversion Passes	Load all conversion passes as directed by Tyler PM	Lead	Assist
Review Error Reports	Tyler will produce an error report outlining errors that result from running City's data through the conversion program. The City is responsible for reviewing the report and investigating solutions	Participate	Lead

### D.1.8.3 Data Conversion Assumptions

Tyler makes the following assumptions in providing a fixed-price data conversion approach:

- Legacy system data to be converted is provided in a non-proprietary format, such as fixed ASCII, CSV or character-delimited
- Each legacy system data file submitted for conversion includes all associated records in a single file layout
- Each legacy system data file layout submitted for conversion remains static for all subsequent data submissions, unless mutually agreed upon in advance of the change.
- Legacy system data validation and control reports are provided with each data submission to ensure data files are complete and accurate
- Accrual transaction history is not part of this option. If the City requests accrual history it needs to be quoted by the conversion department
- Payroll goes live in 2 steps. The employee master and deduction data is accepted and maintained in both legacy and MUNIS systems for 1 to several months, in order to give the City time to create MUNIS pay records for their employees and do parallel payroll runs

## D.1.9 Workflow

### D.1.9.1 Workflow Scope

All of the available workflow functionality in the licensed modules shall be considered as in scope. Tyler consultants will work with Customer resources to help identify, configure, and train on the applicable workflow processes.

### D.1.9.2 Workflow Roles & Responsibilities

Task	Tyler Responsibility	City Responsibility
Analyze workflow needs and determine use within MUNIS for each module	Lead	Participate
Recommend areas that should implement workflow business rules to enforce internal controls, segregation of duties and	Lead	Participate

provide additional audit trails for transactions		
Develop workflow process for all MUNIS applications based upon to-be system design	Participate	Lead
Review the workflow in each office and identify the disparities	Participate	Lead
Outline the current workflow and contrast new procedures	Participate	Lead
Implement new workflow procedures at ERP System implementation	Participate	Lead

### **D.1.10 Testing**

Testing occurs throughout the project, typically in repeated patterns that align closely with other major project activities. This is a shared responsibility between the City and Tyler and will be coordinated, conducted and monitored by both parties.

#### **D.1.10.1 Static Environment Testing (SET)**

This is performed once the City has made preliminary Best Practice decisions. The purpose of the test is to provide an early opportunity to the City for validation of business process decisions in the actual application, without the complication of converted data. This pristine testing environment allows decision-makers to focus on process flow without the potential impact of converted data. A key part of the test is to conduct a test, during which simulated transactions that take place in a standard week are duplicated and tested.

#### **D.1.10.2 Conversion Validation & Testing**

This is performed after each pass of converted data is loaded into a testing database. Use of control reports, filtering techniques, comparison reports and visual inspection are all part of this process. The purpose is to identify all issues with data, whether due to mapping inconsistencies, source data issues, data submission content or conversion programming errors. Acceptance of conversion programming must be completed long before the pre-live period so that final conversion submissions have little or no risk of data or conversion programming issues. Final acceptance is necessary prior to live processing as the last step before data is loaded in the live database and live processing begins. This testing is part of pre-live assessment.

#### **D.1.10.3 Modification Testing**

This is performed in an isolated environment once modifications are delivered. The modification is unit tested first to ensure compliance with specifications and to validate the performance of the coding. Once unit testing is completed successfully, the modification is tested for integration performance as part of an overall process, paying special attention to any impact on touch points throughout the product. After successful integration testing, modifications are exposed to setup data and converted data by replicating the fully populated databases in the test environment. After successful testing, authorization is requested

to load the modification into the production environment. Testing continues throughout the balance of the project to ensure the integrity of the modification. This testing is part of pre-live assessment.

**D.1.10.4 Forms Testing**

This is first performed in a test environment at Tyler, prior to delivery of forms to the City, using sample data extracted during the Static Environment Test. Once Form design has been accepted and forms are loaded on the City’s server, testing continues throughout the balance of the implementation. The goal, at a minimum, is to print forms as part of training (Core and End User) so that both the content and process are validated repeatedly. Submission of forms to banks must be completed and acceptance received a minimum of thirty days before live processing. This testing is part of pre-live assessment.

**D.1.10.5 System Integration Testing**

Beginning with the testing that occurs during the Static Environment Test and continuing with Customizations testing, process training (Project Team/Functional Lead, Core User and End User), parallel or trial run processing and Stress Testing, special attention is paid to the integration integrity of the system. Whether between Munis applications and the General Ledger, or 3rd party import/exports and interfaces, all aspects of functional integrity is tested repeatedly throughout the implementation. This testing is part of pre-live assessment.

**D.1.10.6 User Acceptance Testing (UAT)**

User Acceptance testing is conducted both leading up to and following end-user training. While some recommend that UAT is all performed post end-user training, Tyler supports incremental UAT through trial run processing in Financials and parallel processing in Payroll and Human Resources. Early trial runs and parallels will most likely not involve end-users, once again isolating them from any issues that may be discovered through the process. Once processes are stabilized and can be completed without significant error, the UA testing will expand to include End Users.

**D.1.10.7 Stress Testing**

Stress Testing is completed in the pre-live timeframe and involves a large subset of City users. The City will coordinate this activity and the scheduling of the execution, monitoring and evaluation of the desired tests.

**D.1.10.8 Testing Roles & Responsibilities**

Testing Roles & Responsibilities		Responsibility	
Task	Description	Tyler	City
Perform Verification Test	Tyler performs scripted test to validate baseline software performance	Lead	Participate
Acceptance of Verification Test	City acceptance of baseline test	None	Own
Establish To-Be Test Plan	Compile information gathered during analysis and prepare settings for To-Be	Lead	Participate

	Test (Static Environment Test)		
Perform To-Be Test (Static Environment Test)	Conduct demonstration of To-Be decisions in Munis with hand-keyed data	Lead	Participate
Authorization to Proceed	City acceptance of To-Be Test and authorization to proceed with training and data population	None	Own
Test Forms	Perform test of Tyler Forms through process testing and training	Share	Share
Secure Bank Acceptance	Submit forms to bank for approval	None	Own
Perform Stress Test	Complete Stress Test	None	Own
Perform User Acceptance Test	Complete User Acceptance Test	Participate	Lead
Parallel & Trial Run Testing	Replicate live processing and use tools for identifying and resolving discrepancies	Lead	Participate

## **Section E: Training**

With the implementation of the new ERP system, training planning, development and delivery is critical to the overall success of the implementation to enable ease of use and user acceptance of the new processes and systems. The following training strategy will be used for the project.

### **E.1.1 Tyler Education Plan**

An Education Plan lays out the process of transferring knowledge between Tyler and the City. Tyler refers to its plan as an Education Plan as opposed to a Training Plan for several reasons. First, the process of transferring knowledge is vital to the analysis phase of the project. During analysis Tyler: reviews the “AS IS” environment, provides Tyler demonstrations, reviews questionnaires and flow charts, and ultimately arrives at a “TO BE” model. The TO BE model becomes the foundation for user training. Second, training denotes a classroom setting with teacher and pupil. While training will occur, it is a piece of the overall education needed to be a proficient MUNIS user.

#### **E.1.1.1 Purpose**

The purpose of the Education Plan is to:

- Communicate the process to the City’s project team and MUNIS functional leaders
- Answer specific questions related to delivery of training to the City’s users
- Establish action items and link project personnel as owners
- Define measurement criteria to ensure the Education Plan has been successfully followed

#### **E.1.1.2 Process**

It is imperative that an Education Plan be put into practice as part of the Tyler Project. The plan should include all of the processes required to ensure that the goals for the project are fully satisfied. The overall plan will include the following:

#### **E.1.1.3 Demonstration, Analysis, and Knowledge Transfer**

Tyler employees will perform the following tasks:

- As Is / To Be review
- Product overview demonstration
- In depth analysis of MUNIS options
- Flow chart review
- Questionnaire review

This phase will involve the functional leaders and the City’s project leaders. The goal of this phase is to transfer high level knowledge between parties. The output will be policies and procedures related to the use of MUNIS. The policies and procedures will determine the training agenda to be delivered to the end users. For example, if commodity codes are not going to be utilized within MUNIS Purchasing, then the training outlines for Purchasing should remove the discussion of commodity codes.

#### **E.1.1.4 Prerequisites**

Tyler has three tools that are required prerequisites prior to user training:

- Training Database - All users must have access to the MUNIS training environment. The users must have logins established and know how to access the training environment
- Navigational Videos - Tyler will provide MUNIS navigational videos to the City. The videos are accessible in Tyler's Knowledge Base. The videos demonstrate basic MUNIS functions including: menu navigation, table/screen navigation, add/update/output, search, browse data records and the MUNIS toolbar
- How To Manuals - In addition to MUNIS on-line help, Tyler will provide How-To manuals depicting baseline MUNIS functionality and the steps required to process records. For example, the How to Enter a Requisition manual shows a beginning MUNIS user the steps necessary to create a requisition

Users who utilize the prerequisites learn MUNIS at a faster pace and retain more classroom discussion than their peers whose first exposure to MUNIS is their first training day.

#### **E.1.1.5 To-Be Demonstration**

This process allows the Functional Leaders to see a working MUNIS system with City data. Tyler will process data according to the defined policies and procedures. The intended education is an overall understanding of the integration of MUNIS applications, a review and understanding of security options, and workflow touch points.

#### **E.1.1.6 MUNIS Application Training**

In this phase Tyler is conducting classroom training. Classroom training will be conducted for the individuals included in the mutually agreed upon Education Plan. The City may video and audio record the training for use in City training efforts for other users or to train in the future so long as the respective Tyler Consultant is comfortable performing the session and it does not interfere with the session productivity. Tyler staff will not be responsible for operating the recording equipment.

#### **E.1.1.7 Post Live Reconciliation Training**

The process of reconciling data is reviewed during pre-live training. However, hands on training with live data provides a better overall understanding of the MUNIS tables and how to reconcile daily, weekly, and monthly functions.

#### **E.1.1.8 Post Live Output and Inquiry Training**

The output and inquire routines are reviewed during pre-live training. However, hands on training with live data provides a better overall understanding of the MUNIS options related to extracting needed information.

#### **E.1.1.9 Logistics**

Tyler and the City will work together to define education logistics. The following points should be used as a starting point for defining logistics. The final logistics table will become part of the Education Plan.

**E.1.1.10 Software/Hardware**

- How many databases will be utilized?
- Will we establish a Financials Training environment separate from Payroll?
- Who will refresh the training database?
- Will a second server be utilized?

**E.1.1.11 Facilities**

- How many training rooms will be utilized?
- Where are the training rooms?
- How many workstations will be in each training room?
- How many printers will be in each training room?
- Other training room requirements (white board, phone, etc.)
- Who will schedule the training room?

**E.1.1.12 Staff**

- How many students per teacher?
- How many students per workstation?
- What are the hours of training?
- Who will be trained on each MUNIS application?
- Who will take attendance?
- Will management be present for each session?
- Who will train the end-users (MUNIS versus Functional Leaders)?

**E.1.1.13 Schedule**

- Who will determine the exact days for training?
- Who will notify staff members?
- How far in advance will the training schedule be built?

**E.1.1.14 Quality Control**

- How will the City determine if attendees have learned required training outcomes?
- How will follow up training be administered?

**E.1.2 Knowledge Base**

Tyler provides a knowledge base website that allows users to search and receive training materials such as videos, step by step documentation, how to documentation, etc. Documentation and Release Notes are included with every new release and are distributed with each new release. Additionally, release notes and documentation are updated within the support knowledgebase. Group Training, Internet Training and On-site Training are all options available for updating customers.

### **E.1.3 Project Team Training**

The project team begins knowledge transfer at the on-set of the project, during analysis. It is through this process and subsequent hands-on set up and process training that the Functional Leaders and Subject Matter Experts build an understanding of the inner workings of the system and how parameters and tables affect the overall processing. These users should attend all applicable analysis and implementation/training sessions. To ensure that the City's project team members have adequate knowledge of the Tyler MUNIS system prior to going through as-is and to-be processes, Tyler will conduct classroom training/product overview sessions to show product features for each module/functional area.

### **E.1.4 Technical Training Approach**

Technical training begins at the time of software installation. The Installation Engineer will teach the Technical staff how the software is configured as well as basic system maintenance such as back-ups, loading releases and refreshing training and test databases. System Administration training is conducted after software installation to show users how to update users, permissions, menu security, workflow administration, etc., from within the MUNIS software. The City System Administrator should attend these sessions, as scheduled. In addition, the Functional Leaders should attend to have a thorough understanding of the permissions and options available. It is a City decision as to who will perform the MUNIS System Administration tasks. It may be a combination of Functional Leaders and IT staff.

### **E.1.5 Training Plan for Users**

The Tyler Project Manager will provide a proposed training schedule based on target live dates and availability of resources (Tyler Implementation Consultants, City trainees, training room, etc.).

- The City Project Manager/Team will review the proposed schedule and approve it.
- The Munis Project Manager or Implementation Consultant will provide training agendas prior to each session. The agenda will be placed on the SharePoint site and may be printed by the City, as needed.
- Training documents used during the sessions will be referenced on the agendas and available on the SharePoint site or linked to our Knowledge Base for easy access by attendees. The City will be responsible for printing the necessary documents for the users, as needed.
- The City Project Team members should attend all training that may have relevance to his or her functional area. For example, a Purchasing Agent may be the Functional Lead and is not directly responsible for entering Purchase Orders. However, he/she should attend PO entry training so he/she thoroughly understands all of the capabilities of the software. It is also important to have a

manager or Functional Leader in every session in order to answer policy related questions and make decisions related to the set up or processing of the Munis® system.

- Central Department Users are responsible for attending each relevant class. Each class is scheduled to be conducted one time. Rescheduling a class due to absences or interruption may cause overages in the training budget and may affect the overall training schedule.

### **E.1.6 End User Training**

Tyler’s will train all Central Department users and will train City trainers to perform ongoing training of Decentralized End Users. The City will be responsible for notifying the users of the training schedule and coordinating the training facilities for hands-on end user training.

### **E.1.7 Training Materials and Documentation Development**

#### **E.1.7.1 Training Materials**

The baseline documents available on the Knowledge Base can be utilized as the primary training material for the Project Team and Subject Matter Experts. These documents provide guidance as Subject Matter Experts practice the processes they have learned and perform testing throughout the project. The City will be responsible for customizing documentation with the desired local policies and procedures.

#### **E.1.7.2 Modification Documentation**

As part of the delivery of modifications (program modifications and interfaces) Tyler will deliver an outline defining the set up requirements, processing steps and other details related to successful use of modifications.

#### **E.1.7.3 Conversion Documentation**

Tyler will provide detailed Conversion schemas as a guide to the types of data that can be converted, the specific fields available in Munis and other significant information. These schemas are distributed for all purchased conversions and help guide the data mapping process.

### **E.1.8 Training Roles and Responsibilities**

<b>Training Roles &amp; Responsibilities</b>	<b>Responsibility</b>	
	<b>Tyler</b>	<b>City</b>
Project team training delivery	Lead	Participate
Technical team training identification	Lead	Participate
Development of end-user training strategy document	Lead	Participate
Computer-based training delivery	Lead	Participate
Train-the-Trainer course development	Lead	Participate
Identify users for Train-the-Trainer classes	Participate	Lead
Schedule users for Train-the-Trainer classes	None	Own
Train-the-Trainer delivery	Lead	Participate
End-user training material development	Lead	Assist
Train-the-Trainer End-user training delivery (process training, navigation, application)	Participate	Lead

Training Roles & Responsibilities	Responsibility	
	Tyler	City
Logistics and training administration	Participate	Lead

## **Section F: Change Management (Standard)**

### **F.1.1 Overview of Standard Change Management Effort**

Included in the Project Management Plan, is the Change Management Plan. This plan provides a basis for organizational change management (CM) for use throughout the implementation. It includes a CM Overview, Diagnostic Tools, a CM Communication Plan, and CM Resistance Tools. During project planning, the Change Management plan template will be thoroughly reviewed with the City Project Team and the plan for managing change will be incorporated into the overall Project Management Plan.

### **F.1.2 Scope of Change Management Effort**

Included in the implementation is the plan template, Project Management planning session, and the tools for City use, described above. Change Management Coaching throughout the project is the responsibility of the City Project Team and Management. Additional Change Management Consulting services are available from Tyler at an additional cost.

### **F.1.3 Roles and Responsibilities**

No specific project roles are assigned to the standard Change Management offering. However, the City Project Team and Managers should become familiar with the aspects of Organizational Change Management and implement the management plan as decided in the project planning session. This will include coaching users on process changes, surveying users to verify acceptance and understanding of the changes, and following up with users on utilization of the changes throughout the implementation and after go-live.

Note: Tyler offers an optional Change Management services in which our certified Change Management Coach(es) will work with the City throughout the project to prepare for, monitor and review organizational change.

## **Section G: Post Go-Live Implementation Support**

### **G.1.1 Overview of Post Go-Live Support**

Tyler and the City will be responsible to work together on a Post Go-Live support plan in order to complete the conversion to Tyler MUNIS and the included third party products. Typically this is onsite functional and technical assistance in the following areas, per phase:

- Problem analysis and resolution
- Guidance and mentoring to City staff who provide Munis application support functions and user help desk support (problem resolution)
- Respond to help requests and resolve system defects
- Coaching users on use of the new system
- Support and direct assistance for business owner departments (Finance, Procurement, Benefits, Human Resources, Information Technology, etc.)
- Provide proactive support and special attention to processes and departments for functions that are run for the first time during the post go-live period and any functions that are executed for the first time after the go-live period

### **G.1.2 Duration of Post Go-Live Support**

Within the proposed go-live milestone and through coordination with the City for the post-live plan, Tyler will provide post-go live support after go-live for each phase identified in Section A.1.4 of this statement of work. Tyler, within the proposed go-live milestone, will also provide post-go live support for all key processes that are run for the first time outside of the initial post go-live support period.

Such events include:

- Fiscal Year End Activities
- End of Year Payroll and 1099 Activities
- Benefits Open Enrollment
- Budget Development

Additional assistance beyond the phase/project closure will be considered out of scope and will require a change order or purchase order for additional implementation days.

## Section H: Project Assumptions

### H.1.1 Estimated Days

The following outlines major assumptions regarding the Contract and the commitment to Live Dates on time and within budget:

- Tyler and the City will be responsible for providing required commitments identified in this statement of work. Failure to provide appropriate support to the listed activities and tasks described in this statement of work may result in change orders
- The City will schedule all applicable users to attend scheduled analysis, implementation and training sessions
- Session topics are scheduled in advance. One session per topic will be covered within the scope of the project. If the City chooses to have additional sessions repeated, these would be out of scope and require a change order for additional implementation days. This does not include scheduled topics that are repeated for different levels of users. For instance, Accounts Payable Functional Leaders and Core Users will both have AP sessions; however, the level of analysis and hands-on training differs for each group and are considered separate, scheduled sessions
- On-site assistance during Go-Live for the financials and payroll phases of the implementation will be determined based on the total budget of days during project planning. Additional Go-Live assistance beyond the budgeted days will be considered out of scope and will require a change order for additional implementation days. Tyler will provide post go-live training for reporting, month-end processing, etc., as defined in the project schedule that will be delivered by the Tyler Project Manager.
- It will be the City's responsibility to train decentralized users. Tyler will train Functional Leaders, End (core) users and will conduct a Train-the-Trainer session in order to prepare the trainers to train their decentralized users. The City is responsible for scheduling the decentralized training, developing customized user documentation (standard documents that may be modified are available on the Knowledge Base), conducting the training, and assessing user understanding and acceptance.
- All project tasks will be assigned owners and due dates which correspond to the overall project schedule. Project Tasks that are not completed by the due date may adversely affect the project schedule and Go-Live Dates
- Decisions will be made in a timely fashion in order to achieve scheduled due dates on tasks and prepare for subsequent training sessions. Decisions left unmade may affect the project schedule as each analysis and implementation session builds on the decisions made in prior sessions

### H.1.2 Project Planning and Kickoff

The following outlines major assumptions and activities surrounding the Project Initiation and Kickoff phase of the Project:

- The City shall assign and authorize a Project Manager prior to the start of this phase.
- The City Project Manager, along with the Tyler Project Manager, shall participate in the review and final revision of the Project management and planning documents, which include this Implementation Project Scope Agreement, the Project Risk Register, and the Communications Plan.
- The Tyler Project Manager and City Project Manager will develop the Project Plan. Tyler will be responsible for providing the initial project plan and will maintain and update the project plan

throughout all phases of the project. The City's project team will approve the initial and all subsequent updates of the project plan at the regularly scheduled project meetings. The City will be involved in reviewing and providing necessary feedback and inputs as requested by the Tyler project manager

- The City project team will participate with the Tyler Project Manager in the Project Kickoff meeting to discuss the project approach and expectations.
- The Project Planning Services line item in the contract covers the development of the Project Management Plan at the onset of the project. Standard Project Management throughout the project is not billable.

### **H.1.3 Facility Requirements**

The following outlines major assumptions surrounding the Facility used for the Project:

- The City will provide a room to be used as a training lab for Tyler staff to transfer knowledge to City resources as well as a place for City staff to practice what they have learned.
- The room is to be set up in a classroom setting. The number of workstations in the room is to be determined by the City. It is Tyler's recommendation that every person attending a scheduled session with a Tyler Implementer have their own workstation; however, Tyler requires that there be no more than two people at a given workstation.
- A workstation is to consist of a computer that has access to the MUNIS training/test database and a printer.
- The City is to provide a workstation that connects to Munis for the Tyler trainer conducting the session. The computer must be linked to a projector so everyone attending the session is able to follow the information being communicated.
- In addition to computers and a printer, it is recommended that a phone be available in the room as well as a white board with markers and eraser.
- The City is responsible to schedule the training room for the sessions conducted by Tyler staff.
- Should phases overlap, it may be necessary to make multiple training facilities available.

### **H.1.4 Homework (Post-consulting day project tasks & follow-up)**

The following outlines major assumptions and activities surrounding the implementation of the MUNIS solution:

- Tyler will inform the City the trainee prerequisites that must be completed prior to conducting the session. Tyler will provide notice of any training prerequisites to the City Project Manager ten business days prior to the scheduled training session
- Tyler will inform the City project manager after each training or implementation session what tasks that must be completed prior to Tyler personnel returning to the site.
- Homework assignments and tasks will also be listed on the Project SharePoint site along with due date and owner
- Typical homework items are as follows:
  - Practice on processes learned
  - Review any delivered documents prior to attending scheduled training session
- Should the City not be able to complete communicated prerequisites or tasks, then to the City project manager is bring it to the attention of the Tyler Project Manager immediately so that assistance can be offered or scheduling be revised.

---

**Section I: Appendix**

### I.1.1 Listing of Deliverables

A description of each summary deliverable is provided below. All deliverables will be provided electronically in the format used to prepare the deliverable (example: Microsoft word, excel) to allow for updates and revisions. Deliverables will be provided to the City free of grammar/spelling/formatting errors.

<b>Deliverable Number</b>	<b>Deliverable Name</b>	<b>Description/Objective</b>	<b>Scope</b>	<b>Assumptions</b>
<b>DED01</b>	Project Kick-off	Formal presentation to key City staff members on the major project activities, expectations and high-level timeline.	Tyler project manager PowerPoint presentation to City project staff and key City staff members.	All project team members and key stakeholders will participate in the project kick-off.
<b>DED02</b>	Implementation Management Plans	Customized baseline management plans to reflect City project approach.	Change Management Plan, Resource Plan, Education Plan, Communication Plan, Risk Plan.	All project team members will participate in the development of these plans.
<b>DED03</b>	Project SharePoint Site	City-specific MS Project SharePoint site for centralized collaboration & communications for: project announcements, managing project tasks, posting project documentation and approvals.	City-specific Project SharePoint, hosted by Tyler, accessible by named City users and Tyler staff. SharePoint site is created from a baseline template and then customized with project-specific details.	Tyler will supply SharePoint site navigation and use; the City will provide users and permissions for account creation.
<b>DED04</b>	Project Plan/Schedule	SharePoint site providing tasks and timelines for deliverables throughout the project as well as dependencies.	Task list with owners and due dates, project on-site and training schedule, meeting schedule. All will be posted in tasks and viewable in list and/or calendar view by all team members on the project SharePoint site.	All project team members will have access to schedule and update as defined in the communication management plan.

<b>Deliverable Number</b>	<b>Deliverable Name</b>	<b>Description/Objective</b>	<b>Scope</b>	<b>Assumptions</b>
<b>DED05</b>	COA Analysis and Spreadsheet	Provide analysis and spreadsheet as structured outline for building the new Chart of Accounts.	Examination of the impact of the COA on each module purchased. Emphasis will be placed on the City's business requirements in creating a new chart of accounts that will meet the budgeting, reporting and inquiry needs of the City.	Participants will have in-depth knowledge of internal and external financial reporting at all levels, i.e., within Local, State and/or Federal.
<b>DED10</b>	Data Conversions Analysis & Crosswalks	Review conversion schemas and data formats for all purchased conversions and provide an explanation of specific data fields within Munis necessary to map City's data fields to appropriate Munis data fields.	Conversions listed in the Investment Summary.	The City will provide static files in an acceptable format, with file definitions. Changes to file layouts must be agreed upon in advance. The City will be responsible for extracting data from their legacy system, assisting in the mapping their legacy data to Munis fields, and providing data according to conversion guidelines. The City will generate the required reports to be used in validating the data at the time of extraction.
<b>DED11</b>	Data Conversion Files	Custom coded programs to convert data provided by the City into a format that can automatically be loaded into the Munis system according to the mapping instructions provided by the City.	Conversions listed in the Investment Summary.	Tyler Conversion will return the converted data with instructions for loading and provide error/exception reports for each conversion. The City will thoroughly review the converted data, the error/exception report and provide necessary instructions to conversion

STATEMENT OF WORK  
ERP SYSTEM IMPLEMENTATION

Deliverable Number	Deliverable Name	Description/Objective	Scope	Assumptions
<b>DED12</b>	Data Conversion Control & Error Reports	Reports providing details on number of records converted, summary balance information where applicable, duplicate record merge, and data conformity (i.e. phone number masking, zip codes, address parsing, etc.).	Conversions listed in the Investment Summary.	programmer regarding issues with the converted data.  The City will thoroughly review the converted data, the error/exception report and provide necessary instructions to conversion programmers regarding issues with the converted data.
<b>DED13</b>	Customization/Interface Analysis & Specifications	Review and understand City requirements for the customizations and interfaces. Specification will contain a description and details of the intended modifications/interface and /or programs to be delivered to address the contract item – this document identifies exactly where and how the application programs will be changed.	For agreed to customizations and interfaces.	Development work on customizations will not begin until specifications are accepted and a copy of the specifications is returned with a signature authorizing work. New processing procedures as a result of customization will be incorporated into the Business Process Consulting service, if contracted.

STATEMENT OF WORK  
ERP SYSTEM IMPLEMENTATION

Deliverable Number	Deliverable Name	Description/Objective	Scope	Assumptions
<b>DED14</b>	Customizations and Interfaces	Modified programs according to agreed upon specifications.	Develop custom code modifications within Munis to provide desired functionality for agreed to customizations.	New processing procedures as a result of customization will be incorporated into Business Process Consulting service, if contracted.
<b>DED15</b>	Static Environment Test Plan	Provide an early opportunity to the City for testing and validating the business process decisions in the actual application.	Implementation will assist the City in the step by step testing of the functionality of Munis using processes and system parameter set up chosen by the City as the Business Process Design. This test will enable the City to see the way the system functions using their own data. Focus will be on helping the City understand the impact of the approved recommendations will have on the way the system functions.	Tyler's consultants will address any concerns and /or note any areas of functionality that the City determines as not functioning as desired to make recommended changes to the Final Business Process Design. Data files will be created during this process for submission to Tyler Forms that will be used for testing during the forms design and development efforts.
<b>DED19</b>	Tyler Forms Kits	Completion of the forms kits will provide pertinent information of clients customized forms requirements and their output requirements.	For Tyler Forms Libraries listed in the Investment Summary.	Kits will need to be submitted to Tyler Forms with original signatures for digitization. Data files to be used for testing during form development must accompany submission of kits. Development work will not commence until both kits and data files are received.
<b>DED20</b>	Tyler Forms Proofs	Provide form design proofs based on mock up form provided by client.	For Tyler Forms Libraries listed in the Investment Summary.	Proofs should be thoroughly reviewed by as many users of the form providing ample opportunity to catch any errors in

STATEMENT OF WORK  
ERP SYSTEM IMPLEMENTATION

Deliverable Number	Deliverable Name	Description/Objective	Scope	Assumptions
				the proof. During the development and proofing process, information requested by Tyler Forms will be provided in a timely manner.
<b>DED21</b>	Tyler Forms Library Forms	Provide final localized forms for output.	For Tyler Forms Libraries listed in the Investment Summary.	All testing and changing to proofs has been completed. Formal acceptance and sign off of forms required prior to loading forms to Live.
<b>DED22</b>	Pre-live Checklist	Identify all tasks that will need to be completed for Go-live.	Checklist will provide cutover timelines to cease processing in the legacy system, timeline for final conversions, contingency processing plans and instructions for decentralized departments.	City staff will participate in the creation and review of the checklist.

---

## I.1.2 Customizations and Interfaces

See Agreement Exhibit xx.

## I.1.3 Munis Release Life Cycle Policy

The Munis Release Life-Cycle Policy is designed to balance our clients' need for flexibility and stability, while meeting the demands for strategic product enhancements.

These are just a few of the benefits for our clients:

- » Continued quality improvements from Munis Development, Technical Support, and Release Management.
- » Consistent and predictable product release timelines.
- » Ability to accurately budget, plan, and schedule upgrade resources around major processing events.
- » Assurance of continually operating on a fully supported release.

**Early Adoption (EA):** This represents a phase, 45-90 days prior to GA, in which selected clients participate in an intense testing program on the pre-generally available release. Tyler strives to select a cross-section of customer participants to represent our client base ensuring maximum coverage. This 'real world' testing of the product enables Tyler to deliver the highest quality, customer-tested release. For information on how to obtain an Early Adoption version of our release, please contact **Munis Release Management**.

**General Availability (GA):** This represents a 12 month phase in which a product release (ex. Version 7.5) is made available for installation at client sites. Technology upgrades (ex. Version 9.0) are not intended for general availability.

**Feature Complete (FC):** This represents a 3 to 6 month phase in which the given release has matured through the EA and GA phase and minimal development efforts need to be placed on the product for the remainder of its life. Clients are encouraged to move to a more current release.

**Next Release Planning (NRP):** This represents a phase in which the given release has been available for up to 18 months and is at least 2 product releases behind the latest available Munis release. Clients are *strongly* encouraged to move to a more current release.

**Product Retired (PR):** This represents a release phase that receives only minimal support services. Clients *must* move to a more current release in order to receive year-end W-2 and 1099 releases.

NOTE: The timelines and specific dates related to our release life-cycle policy are tentative and subject to change.

## Exhibit 7

### Compensation

The financial obligation of the City to Tyler for the software products, hardware products and services listed in the Investment Summary included in Exhibit 1 herein shall be payable as follows:

a) SaaS Fees:

Phase 1

Accounting/GL/BG/AP  
BMI Asset Track Interface  
Cash Management  
Contract Management  
Fixed Assets  
Project & Grant Accounting  
Purchasing  
Accounts Receivable  
General Billing  
Tyler Cashiering  
eProcurement  
Munis Analytics & Reporting  
Tyler Content Manager SE  
Tyler Forms Processing  
CAFR Statement Builder

Phase 2

Employee Expense Reimbursement  
Applicant Tracking  
HR Management  
Payroll w/ESS

Phase 3

Central Property File  
UB Interface  
Utility Billing CIS  
Citizen Self Service  
Transparency Portal

Phase 4

Business License  
Maplink GIS Integration  
Permits & Code Enforcement  
IVR Gateway

Phase 5

BMI CollecIT Interface  
Inventory  
Work Orders, Fleet & Facilities Management

- i. On or before July 1, 2014, and every three (3) months thereafter through the end of the Term, Client shall remit to Tyler quarterly SaaS fees for Phases 1, 2 and 3 in the amount of \$58,813.
- ii. On or before July 1, 2015, and every three (3) months thereafter through the end of the Term, Client shall remit to Tyler quarterly SaaS fees for Phases 4 and 5 in the amount of \$15,824.25.

b) 3<sup>rd</sup> Party Hardware, Software and Services:

- i. Tyler shall invoice Client for Cashiering hardware (\$9,368) upon delivery of such hardware.
- ii. Tyler shall invoice Client for the BMI hardware items (\$26,560) upon delivery of the items.
- iii. Tyler shall invoice Client for the Tyler Secure Signature System with 2 Keys (\$1,650) upon delivery of such hardware.

c) Other Services:

- i. Tyler shall invoice Client for the VPN Device fee upon installation.
- ii. Tyler shall invoice Client for the Project Planning Services fee upon Client acceptance of the Implementation Planning document, with such acceptance not to be unreasonably withheld.
- iii. Tyler shall invoice Client fees for Tyler Forms Libraries, Tyler Forms Processing Configuration, and Tyler PO Distribution upon the availability of each applicable item.
- iv. Tyler will invoice Client fees for AP Positive Pay Export Format, PR Positive Pay Export Format, and AP/PR Check Recon Import Format as delivered.
- v. Tyler shall invoice Client the POS Cash Installation fee upon such installation.
- vi. Tyler shall invoice Client for the twenty (20) additional training days as services are performed.

d) Unless otherwise indicated herein, Tyler will invoice the Client for services as provided.

e) Tyler will invoice the Client for travel expenses as incurred.

f) In the event that optional modules are purchased, Tyler shall amend the payment schedule above to reflect the SaaS fees from Exhibit 1 related to the module or modules selected based on the selection date.

## Exhibit 8

### OSDBA and Disaster Recovery

#### OSDBA:

- **Support Hours:** 8:00AM to 9:00PM EST
- **Server Support:** Single Tyler production environment (Operating System, Administration, and Software Upgrades/Patches, problem resolution)
- **Database Support:** Maintenance on 3 Database environments (Live/Train/Test)
- **Tyler Support:** Assistance with loading Releases, Upgrades, and New Products (Modules or Licensing)
- **Pro-Active Check:** OSDBA health check program that monitors 8 key areas of the system and automatically opens a support ticket when an issue is discovered.
- **Weekend Service:** Every 2nd Saturday of each month available for Tyler production release upgrades (Note - must be scheduled with the OSDBA department in advance and is subject to availability on a first request - first serve basis).

#### OSDBA Support

##### Operating System Support

- Usual, routine and ordinary System Backup and Recovery Assistance (Note – this assistance does *not* include system backup, installation, and recovery services in the event of a hardware or network failure or of a Disaster (A disaster is defined as an unplanned event that prevents the Tyler Software Products from performing critical processes, potentially harming Customer’s financial standing or public image (“Disaster”), such as fire, hazardous materials incident, flood, hurricane, tornado, winter storm, earthquake, radiological accident, civil disturbance or explosion)
- Disk Space Configuration
- File Permissions & Security
- Printer Configuration & Troubleshooting
- User Maintenance

##### Database Support

- Database Administration assistance
- Software upgrades
- SQL Maintenance plans
- Database refreshes
- Diagnosing and resolving SQL errors

##### Tyler Software Support

- Assistance with loading Tyler releases
- Report Writer Installation assistance and troubleshooting
- PC client software assistance with installation and troubleshooting

#### OSDBA Advantages:

##### Support Contract Benefits

- Ongoing maintenance of Server/Software/Database Upgrades
- Knowledgeable IT professionals who are experts in Microsoft technologies and Tyler software available at minimal cost to maintain the Tyler application and server
- Installation of Tyler releases and availability on Saturday
- System and Database tuning for peak performance

- Backup and Restore of System and Database files
- Knowledge and Expertise across platforms and databases

**Disaster Recovery:**

Tyler will timely work with client to re-establish access to the Tyler hosted environment in the event client facilities are impacted by a disaster, provided Client has internet access.

Tyler maintains a business continuity plan and multiple data centers in order to timely respond to disasters at its own facilities.

AGENDA ITEM 10

REQUEST

**ACCEPT STATUS REPORT ON THE CITY'S INTERNAL CONTROL WORK PLAN**

EXECUTIVE SUMMARY

This report provides a status report regarding the progress of the City's work plan to audit, evaluate, and modify applicable internal control policies and procedures to ensure the continued protection of City assets and resources. The work plan is comprised of three phases: Phase 1: Credit Card Audit and Best Practice Review; Phase 2: Open Government Initiative; and Phase 3: Financial Review and Policy Update. It is anticipated that the work plan will be implemented and completed over a period of 12 months.

DISCUSSION

At the March 18, 2014 City Council meeting, staff presented an overview of the City's multi-phased Internal Control Work Plan, which included a draft work plan outlining the goals, objectives, and tasks of Phase 1 (Attachment 1).

The section below provides an update of Phase 1, highlighting completed work plan tasks and describes the goals, objectives and tasks of Phase 2 and 3 (Attachment 2 & 3).

**Phase 1: Update on Best Practices Review and Credit Card Audit**

Phase one of the Internal Work Control Work Plan involves an audit of the City's credit card practices, update of the City's Credit Card Policy, and employee trainings for cardholders and administrative staff.

To date the following phase one tasks have been completed or are currently underway:

- An inventory of all city credit cards and store cards has been completed; the city has reduced the number of credit cards from 160 to 77. Future reduction efforts are expected pending the auditor's recommendations.
- Modifications have been made to the City's existing administrative credit card expense processes to improve clarity when finalizing purchase reports.
- All City credit card holders and applicable administrative staff have received a copy of the City Credit Card Policy.
- The City retained Chavan and Associates to conduct a credit card audit, which was completed in late April 2014. A report detailing the audit findings and policy and procedural recommendations should be completed by May 2014.

*Additional Phase 1 Work Plan Task – Community Meeting*

To facilitate an open government environment, staff recommends that a community meeting be held in June/July 2014 to discuss the credit card audit process, including the scope of the audit, including draft audit findings and recommendations. Community feedback would be solicited and incorporated into the final audit report presented to Council in August 2014.

Phase one of the work plan is expected to be completed by July 2014; city-wide training is scheduled to occur by the end of Summer 2014.

**Phase 2: Open Government Initiative**

Phase two of the Internal Control Work Plan involves the development of an Open Government Initiative. This initiative is reflective of the Council's Governance Strategy which promotes communication and civic engagement, financial transparency, and fiscal stewardship. The Transparency Initiative includes efforts to improve public access and understanding of City finances through the use of technology, including but not limited to open government software and upgrades to the City's financial system. Additionally, staff will begin to identify improvements to the City's website and explore the creation of a transparency webpage to consolidate information pertaining to council and administrative policies, statement of economic interests, fiscal, investment, and internal control policies, Public Record Request (PRAs) submission processes, PRA frequently asked questions, and information related to financial audits and reporting requirements.

To date the following phase two tasks have been completed or are currently in progress:

- A PRA log of requests has been developed and is available for public viewing at the Clerk's Office. The log will become available electronically in the near future.
- A computer kiosk has been installed on the second floor in City Hall so that requested public records may be viewed electronically.
- User-friendly, open government financial software has been purchased and will be available via the City's website by June 2014. The Measure E Committee has volunteers to serve as a usability group to test the software and provide feedback to staff prior to officially launching the new software.
- A vendor has been selected to replace and install Enterprise Resource Planning (ERP) software to enhance the City financial reporting capabilities. The new system provides a Citizen Transparency Module that provides access to key financial data sets.
- The City's Finance Division webpage has been updated to include all existing financial and applicable administrative policies and transactions, including monthly check registers.

### **Phase 3: Financial Policy Review and Update**

Phase three of the Internal Control Work Plan involves a review of the City's financial policies. Several of the City's policies are outdated and require modification. Examples of these policies include but are not limited to: travel expense and reimbursement, cell phone use, issuance and stipends, petty cash handling, and purchasing practices. Update of the policies will include best practice research and a cross-departmental team review of any proposed changes.

It is anticipated that Phase three will begin in Summer 2014 and completed by Spring 2014.

The Internal Control Work Plan is designed to be fluid in nature and may change over time. Monthly status reports will be scheduled to advise Council about staff progress, significant findings, and/or changes to the work plan.

### STRATEGIC PLAN

This item is in accordance with Council Governance Strategy, Goal 2: Ensure continued fiscal sustainability through budgetary and financial stewardship; Objective 3: Enhance Fiscal Transparency and Goal 3: Identify resources to promote communication and civic engagement, enhance city services, and promote organizational productivity.

### FISCAL IMPACT

Acceptance of the status report will have no impact on the City's FY 13/14 operating budget.

### RECOMMENDATION

It is recommended that the City Council accept the status report on the City's Internal Control Work Plan.

Prepared by: Jenny Haruyama, Administrative Services Director

Reviewed by: Gary Hampton, Interim Assistant City Manager

Approved by: Maria A. Hurtado, Interim City Manager

### ATTACHMENTS:

Attachment 1: Internal Control Work Plan - Phase 1: Best Practices Review and Credit Card Audit

Attachment 2: Internal Control Work Plan - Phase 2: Open Government Initiative

Attachment 3: Internal Control Work Plan - Phase 3: Financial Policy Review and Update

**DRAFT**  
**INTERNAL CONTROL WORKPLAN**  
**PHASE 1: BEST PRACTICE REVIEW AND CREDIT CARD AUDIT**

**GOALS:**

- Ensure appropriate internal controls are in place to protect the City's assets, control expenditures, and prevent misuse of City resources.
- Modify City Credit Card Policy based on a review of best practice models and results of an independent audit of city credit card transactions/statements.
- Communicate credit card responsibilities and procedures to city-wide cardholders to ensure proper use and processing of credit card purchases.

**KEY WORKPLAN OBJECTIVES:**

<b>OBJECTIVES</b>	<b>TASKS</b>	<b>STEPS</b>	<b>TIMEFRAME</b>	<b>STATUS</b>
1. Reduce Risk and Exposure	Conduct Inventory of City Issued Credit Cards.	<ul style="list-style-type: none"> <li>▪ Review Departmental Criteria used to Issue Credit Cards and Single Purchase Limit and Cumulative Monthly Maximum Limit Amounts.</li> <li>▪ Evaluate and Reduce Number of City Credit Cards Issued to Employees.</li> </ul>	March 2014	<p style="text-align: center;"><b>COMPLETED</b></p> <ul style="list-style-type: none"> <li>- Credit cards have been reduced from 160 to 77. Further reductions will be made pending auditor's recommendations.</li> </ul>
2. Identify Best Practice Policy Models	Research Best Practice Credit Card Internal Control Policies and Procedures.	<ul style="list-style-type: none"> <li>▪ Conduct a Best Practice Review of Policies and Procedures including but not Limited to: Authorization and Card Issuance, Cardholder Responsibilities, Lost/Stolen Cards and Receipts, Unauthorized Purchases, Parameters for Usage, Purchase Reporting Requirements.</li> <li>▪ Best Practice Sources: International City/County Management Association (ICMA), Government Finance Officers Association (GFOA), California Municipal Society of Finance Officers (CSFMO), and other Local</li> </ul>	March – April 2014	<p style="text-align: center;"><b>ONGOING</b></p> <ul style="list-style-type: none"> <li>- Research is Underway.</li> <li>- <b>COMPLETED</b> Modified Administrative Credit Card Procedures to Improve Clarity.</li> </ul>

**DRAFT**  
**INTERNAL CONTROL WORKPLAN**  
**PHASE 1: BEST PRACTICE REVIEW AND CREDIT CARD AUDIT**

		Government Resources/Agencies.		
3. Evaluate and Test Current Policy and Procedures	Conduct Independent Audit of City Issued Credit Cards.	<ul style="list-style-type: none"> <li>▪ Retain Independent Auditor to Review Compliance with Current Credit Card Policy.</li> <li>▪ Identify Recommended Policy Changes/ Procedures for Cardholders and Administrative Processing.</li> <li>▪ <b>Schedule Community Conversation About Audit Process and Preliminary Findings</b></li> <li>▪ <b>Provide Update to Council to Discuss Final Audit Report and Community Input</b></li> </ul>	April – May 2014	<p style="text-align: center;"><b>COMPLETED</b></p> <ul style="list-style-type: none"> <li>- Audit Work and Draft Report Completed.</li> <li>- Final Report to Council August 2014.</li> </ul> <p style="text-align: center;"><b>IN PROGRESS</b></p> <ul style="list-style-type: none"> <li>- Community Meeting to be Scheduled June/July 2014.</li> </ul>
4. Revise Credit Card Policy/Procedures	Implement Recommended Changes per Independent Audit and Best Practice Research.	<ul style="list-style-type: none"> <li>▪ Consolidate Best Practice Research and Consultant’s Recommended Policy and Procedural Changes.</li> <li>▪ Update Current City Policy to Reflect Suggested Changes.</li> <li>▪ Solicit City-Wide Feedback from Departments/Employees.</li> </ul>	July 2014	<b>N/A</b>
5. Enhance Internal Control Training and Communication	Conduct City-Wide Policy and Procedure Training for City Credit Cardholders and Administrative Staff.	<ul style="list-style-type: none"> <li>▪ Develop Communications Plan to Conduct City-Wide Training for all Applicable Administrative Staff and Cardholders.</li> <li>▪ Schedule Annual Employee Training, including Anti-Fraud and Public Funds Education.</li> <li>▪ Require all Cardholders to Sign a Cardholder Agreement Form.</li> </ul>	June – August 2014	<b>N/A</b>

**DRAFT**  
**INTERNAL CONTROL WORKPLAN**  
**PHASE 2: OPEN GOVERNMENT INITIATIVE**

**GOALS:**

- Facilitate public access to documents and proceedings of local government, including but not limited to council, administrative, and budget/financial policies and reports, and public requests for records.
- Centralize key source documents which govern elected and appointed officials and City employees.
- Use technology to ensure efficiency to enhance community access to information.
- Encourage civic engagement through a variety of mediums.

**KEY WORKPLAN OBJECTIVES:**

<b>OBJECTIVES</b>	<b>TASKS</b>	<b>STEPS</b>	<b>TIMEFRAME</b>	<b>STATUS</b>
1. Facilitate an Open Government Environment.	Ensure Requested and Released Public Records Act (PRA) Information is Made Available to the Public.	<ul style="list-style-type: none"> <li>▪ Develop a PRA Log of Requested and Released Records.</li> <li>▪ Make PRA Log Available for Viewing via the Clerk's Office and online (future).</li> <li>▪ Explore PRA Tracking Software Options to Ensure Efficiency.</li> <li>▪ Identify Available Resources and Space to Install a Public Kiosk to View Public Records.</li> <li>▪ Develop a Community Outreach/ Communications Plan.</li> </ul>	April 2014	<p><b>COMPLETED</b></p> <ul style="list-style-type: none"> <li>- PRA Log Created.</li> <li>- PRA Computer Kiosk Installed.</li> </ul> <p><b>IN PROGRESS</b></p> <ul style="list-style-type: none"> <li>- Online PRA Request Log underway.</li> </ul>
2. Promote Financial Understanding of City Resources.	Translate City Financial Data into Meaningful Information for the Community.	<ul style="list-style-type: none"> <li>▪ Research and Purchase Open Government Financial Software.</li> <li>▪ Identify Frequently Requested Data Sets.</li> <li>▪ Ensure Data is Interactive, Visual, and User-Friendly.</li> <li>▪ Identify a Usability Group to Assess the New Financial Software.</li> <li>▪ Launch the New Software on the City Website.</li> </ul>	June 2014	<p><b>COMPLETED</b></p> <ul style="list-style-type: none"> <li>- Software Purchased; Data Sets Created.</li> <li>- Usability Group: Test Ease of Use.</li> <li>- Soft Launch: June 2014</li> </ul>
3. Ensure	Upgrade the City's	<ul style="list-style-type: none"> <li>▪ Conduct a Request for Proposal (RFP) for a</li> </ul>		<b>COMPLETED</b>

**DRAFT**  
**INTERNAL CONTROL WORKPLAN**  
**PHASE 2: OPEN GOVERNMENT INITIATIVE**

<p>Efficiency of Internal City Processes and Systems.</p>	<p>Financial and Human Resources Information System.</p>	<p>new Enterprise System.</p> <ul style="list-style-type: none"> <li>▪ Establish a City-Wide Review Team to Evaluate Proposals and Vendor Presentations.</li> <li>▪ Explore Alternative Options that include Citizen Transparency Modules.</li> <li>▪ Develop a Multi-Phased Implementation Schedule.</li> <li>▪ Develop an Internal Financial Procedures Handbook and City-Wide Training Schedule.</li> </ul>	<p>July 2014 – July 2015</p>	<ul style="list-style-type: none"> <li>- Vendor Selected; Contract to Council: May 2014.</li> <li>- Transparency Module Included.</li> </ul> <p><b>IN PROGRESS</b></p> <ul style="list-style-type: none"> <li>- Implementation Schedule Underway.</li> </ul>
<p>4. Enhance Access to City-Wide Policies and Reports.</p>	<p>Implement Best Practice Models for Open Government Transparency Efforts.</p>	<ul style="list-style-type: none"> <li>▪ Identify Accessibility Gaps regarding Frequently Requested Information.</li> <li>▪ Develop a City of Tracy Open Government Web Page to Centralize Key City Documents and Requests for Records.</li> <li>▪ Incorporate Community Feedback Regarding Accessibility Issues.</li> </ul>	<p>August 2014</p>	<p><b>COMPLETED</b></p> <ul style="list-style-type: none"> <li>- Policies Uploaded to Finance Webpage, including Month Check Registers.</li> </ul> <p><b>IN PROGRESS</b></p> <ul style="list-style-type: none"> <li>- Content Under Development for OpenGov Webpage.</li> </ul>
<p>5. Enhance Public Participation.</p>	<p>Expand Civic Engagement Opportunities.</p>	<ul style="list-style-type: none"> <li>▪ Inventory Existing Communication Tools and Maximize their Use.</li> <li>▪ Identify and Implement Alternative Civic Engagement Resources.</li> </ul>	<p>August 2014</p>	<p><b>IN PROGRESS</b></p> <ul style="list-style-type: none"> <li>- Exploring Implementation of Civic Engagement Software.</li> </ul>

**DRAFT**  
**INTERNAL CONTROL WORKPLAN**  
**PHASE 3: REVIEW AND UPDATE OF FINANCIAL POLICIES**

**GOALS:**

- Promote Organizational Efficiency and Effectiveness through the Update of City Policies and Procedures.
- Encourage Organization-Wide Policy Awareness and Compliance to Protect City Assets and Resources and Minimize Risk.
- Explore Options to Assess Policy Compliance.

**KEY WORKPLAN OBJECTIVES:**

<b>OBJECTIVES</b>	<b>TASKS</b>	<b>STEPS</b>	<b>TIMEFRAME</b>
1. Maintain Updated City Administrative/Financial Policies and Procedures.	Align key City Administrative/ Financial Policies and Procedures with Best Practices.	<ul style="list-style-type: none"> <li>▪ Conduct an Inventory of City Policies.</li> <li>▪ Develop an Update and Implementation Timeline.</li> <li>▪ Research Industry Best Practices for Applicable Policies.</li> <li>▪ Engage Organizational Stakeholders in the Policy Update Process.</li> </ul>	August 2014
2. Improve Policy Awareness and Compliance.	Develop a Communications Plan to Inform and Train Employees of Changes to Policy and Procedures.	<ul style="list-style-type: none"> <li>▪ Centralize all City Policies to Enhance Accessibility.</li> <li>▪ Provide Regular Department City-Wide Policy Update Status Reports.</li> <li>▪ Establish an Annual Employee Training Schedule to Ensure Policy Understanding.</li> </ul>	January 2015
3. Measure Policy Compliance.	Identify Performance Measures to Gauge Compliance.	<ul style="list-style-type: none"> <li>▪ Explore the Creation of a Year-End Report to Assess Compliance.</li> <li>▪ Work with Auditors to Establish Performance Measures to Determine Compliance Levels.</li> </ul>	March 2015

AGENDA ITEM 11

REQUEST

**COUNCIL DISCUSSION AND DIRECTION REGARDING A PUBLIC RECORDS ACT REQUEST LOG**

EXECUTIVE SUMMARY

Discuss and provide direction regarding a Public Records Act Request log.

DISCUSSION

At the City Council meeting held on March 18, 2014, Council Member Young requested, and Council agreed to consider a future agenda item regarding a Public Records Act Request log.

Background

In an effort to promote transparency and to systematically track and respond to Public Records Act requests (PRAs), the City has taken the following steps:

1. A PRA log has been developed which tracks requests received and provides information regarding steps taken on each individual PRA request until the PRA is complete (Attachment A).
2. The PRA log is uploaded to a kiosk, located on the second floor lobby for viewing by members of the public.
3. Documents responsive to the PRA are also uploaded to the kiosk for viewing by the requestor and members of the public.

STRATEGIC PLAN

This item is in accordance with Council Governance Strategy, Goal 3: Identify resources to promote communication and civic engagement, enhance city services, and promote organization productivity.

FISCAL IMPACT

There is no fiscal impact as a result of this agenda item.

RECOMMENDATION

It is recommended that City Council discuss the Public Records Act Request Log and provide further direction to staff.

Prepared by: Sandra Edwards, City Clerk

Reviewed by: Gary Hampton, Interim Assistant City Manager

Approved by: Maria A. Hurtado, Interim City Manager

ATTACHMENT

Attachment A – PRA Log

## ACTIVE PUBLIC RECORDS REQUESTS

Request Number	Date of Request	Requested By	Type of Documents	Related To	Date Range	Ten Day Response Due	Extended To	Completed
1	1/16/2014	Dave Helm	Mo. credit card statements & expense reports	All employees	1/1/2009 - Present	1/27/2014	Voluminous (TBD)	
2	2/4/2014	Dave Helm	E-mails	Between COT & bhiconsulting	1/1/2009 - Present	2/13/2014	Voluminous (TBD)	
3	3/14/2014	Dave Helm	Financial Transactions	Approved by Churchill	2008- Present	3/14/2014	Voluminous (TBD)	
6	4/11/2014	Sheet Metal Workers' Int'l Assoc.	Certified Payrolls	Fire Station 92/96 - Contractor Air Exchange	Beginning of project - Present	4/21/2014		Requestor to pay contractor for copies prior to release
7	4/11/2014	Sheet Metal Workers' Int'l Assoc.	Certified Payrolls	Fire Station 92/96 - Contractor DTS Mechanical	Beginning of project - Present	4/21/2014		Requestor to pay contractor for copies prior to release
9	4/17/2014	Bay Area News Group	Employee Compensation	Cost of Compensation for all Employees and Elected/Appointed officials for calendar year 2013	Calendar Year 2013	4/28/2014	05/21/14	
13	4/25/2015	California Tax Foundation	Levy Information	Levies imposed/Reports		5/6/2014	06/12/14	
15	5/1/2014	Work Preservation Fund	Certified Payrolls	Fire Stations 92/96	Initial - 5/1/14	5/12/2014		Requestor to pay contractor for copies prior to release
16	5/12/2014	Sundeen Salinas & Pyle	Bids, RFPs, resos, logs	Tracy Canal/Water Treatment Plant	1/1/2006-present	5/20/2014		

May 20, 2014

AGENDA ITEM 13.A

REQUEST

**RECEIVE AND ACCEPT THE INTERIM CITY MANAGER INFORMATIONAL UPDATE**

EXECUTIVE SUMMARY

This agenda item will update the Council on newsworthy events.

DISCUSSION

The Interim 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 receive and accept the Interim City Manager's informational update.

Prepared by: Maria A. Hurtado, Interim City Manager  
Reviewed by: Maria A. Hurtado, Interim City Manager  
Approved by: Maria A. Hurtado, Interim City Manager