

Tuesday, October 7, 2014, 7:00 p.m.

City Council Chambers, 333 Civic Center Plaza

Web Site: 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, including those distributed within 72 hours of a regular City Council meeting, 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.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

INVOCATION

ROLL CALL

PRESENTATIONS – Employee of the Month

- Employee Recognition

- Certificate of Appointment – Transportation Commission

Swearing In – Five Police Officers

Proclamations – Fire Prevention Week

– Domestic Violence Awareness Month – Women’s Center

– Make a Difference Day

1. CONSENT CALENDAR

- A. Approval of Minutes
- B. The Regular City Council Meeting Scheduled for Tuesday, November 4, 2014, be Rescheduled for Wednesday, November 5, 2014, Due to the General Municipal Election
- C. Accept Travel Report from City Manager Regarding Attendance at League of California Cities (LOCC) Annual Conference and International City/County Management Association (ICMA) Annual Conference
- D. Approve an Exclusive Negotiating Rights Agreement With Kasson Manteca Solar, LLC, for a Potential Long-Term Lease of City-Owned Properties Located at New Jerusalem Airport, and Authorize the Mayor to Sign the Agreement
- E. Approve a Memorandum of Understanding (MOU) With the Tracy City Center Association for Purchase and Resale of Alcohol and Other Food and Beverages on Authorized City Streets During City Authorized Events and Authorize the Mayor to Execute the MOU
- F. Authorization to Enter Into an Agreement With the County of San Joaquin for the Maintenance of Roadway Improvements and Landscaping Related to the New Interchange at I-205 and Eleventh Street
- G. Approve the Reallocation of \$100,535 in Unspent Fiscal Year (FY) 2013-2014 Community Development Block Grant (CDBG) Funds to Two FY 2014-2015 CDBG Approved Projects
- H. Approve Amendment Four to the Professional Services Agreement (PSA) With Drake Haglan and Associates of Sacramento, California, for Additional Design Services for the Eleventh Street – East Tracy Overhead Bridge, Number 29c-0126 – CIP 73063, Federal Project Number BHLS-5192(020), and Authorize the City Manager to Execute the Amendment
- I. Approve a Maintenance Agreement With R & M Painting, Inc., DBA Gold Star of Turlock, CA, for Maintenance and Repairs of the Existing Clarifier at the City’s John Jones Water Treatment Plant and Authorize an Appropriation of \$172,000 from the Water Enterprise Fund F513

2. ITEMS FROM THE AUDIENCE
3. PUBLIC HEARING TO CONSIDER A PROPOSAL TO AMEND THE I-205 CORRIDOR SPECIFIC PLAN DESIGNATION FROM GENERAL COMMERCIAL TO HIGH DENSITY RESIDENTIAL (APPLICATION NUMBER SPA14-0001), APPROVE A PLANNED UNIT DEVELOPMENT (PUD) PRELIMINARY AND FINAL DEVELOPMENT PLAN (APPLICATION NUMBER D14-0011) FOR A 441-UNIT MULTI-FAMILY APARTMENT PROJECT, APPROVE AN OFF-STREET PARKING SPACE REDUCTION FOR THE APARTMENT PROJECT, AND APPROVE AN ADDENDUM TO THE FILIOS/DOBLER ANNEXATION AND DEVELOPMENT PROJECT ENVIRONMENTAL IMPACT REPORT (SCH NO. 2010072043). THE APPROXIMATELY 22.22-ACRE SUBJECT PROPERTY PROPOSED FOR SPECIFIC PLAN AMENDMENT IS LOCATED ON THE SOUTH SIDE OF GRANT LINE ROAD, NORTH OF THE UNION PACIFIC RAILROAD TRACKS, EAST OF BYRON ROAD AND APPROXIMATELY 600 FEET WEST OF LAMMERS ROAD, (ASSESSOR'S PARCEL NUMBERS 209-270-10, 11, 30, AND 31). THE PUD PRELIMINARY AND FINAL DEVELOPMENT PLAN IS PROPOSED FOR APPROXIMATELY 20.04 ACRES ON THE EAST SIDE OF THE SITE, ASSESSOR'S PARCEL NUMBERS 209-270-30 AND 31. THE APPLICANT IS DENTON KELLEY, SR95 VENTURES, LLC.
4. ADOPT A RESOLUTION AUTHORIZING AMENDMENT NO. 2 TO THE PROFESSIONAL SERVICES AGREEMENT AND SOFTWARE LICENSE AGREEMENT WITH SPILLMAN TECHNOLOGIES, INC. FOR THE COMPUTER AIDED DISPATCH / RECORDS MANAGEMENT SYSTEM TO DISCONTINUE FURTHER WORK AND OBTAIN A PARTIAL REFUND FOR COMPLETED WORK AND AUTHORIZE THE MAYOR TO EXECUTE THE AMENDMENT
5. DISCUSS AND PROVIDE DIRECTION ON A CITY COUNCIL POLICY FOR FILLING CITY COUNCIL VACANCIES AND VACANCIES OCCURRING IN THE OFFICE OF MAYOR
6. CONSIDER COUNCIL GENERAL FUND RESERVE POLICY
7. ITEMS FROM THE AUDIENCE
8. COUNCIL ITEMS
9. ADJOURNMENT

JOINT CITY COUNCIL/TRACY RURAL FIRE PROTECTION DISTRICT/SOUTH COUNTY
FIRE AUTHORITY SPECIAL MEETING MINUTES

September 2, 2014, 6:00 p.m.

City Council Chambers, 333 Civic Center Plaza

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

1. CALL TO ORDER – Mayor Ives called the meeting to order at 6:00 p.m.
2. ROLL CALL - Roll call found Council Members Maciel, Manne, Rickman, Young, and Mayor Ives present. Tracy Rural Fire Protection District Board Members Smith and Ahmad present. Board Members Thoming and Vieira absent. South County Fire Authority Directors Ahmad, Maciel and Rickman present. Director Thoming absent.
3. ITEMS FROM THE AUDIENCE – None
4. JOINT WORKSHOP WITH THE CITY OF TRACY, TRACY RURAL FIRE PROTECTION DISTRICT, AND SOUTH COUNTY FIRE AUTHORITY TO DISCUSS AND PROVIDE COMMENTS ON DRAFT REPORT ON ALTERNATIVE FIRE GOVERNANCE STRUCTURES

Dan Sodergren, City Attorney, stated the meeting was originally scheduled as a joint meeting of the Tracy City Council, Tracy Rural Fire Protection District, and South County Fire Authority, but since only one of the three bodies had a quorum, it would only be a meeting of the Tracy City Council for Brown Act purposes.

Mayor Ives responded no action was scheduled for any of the bodies

Fire Chief Al Nero provided the staff report. In October of 2011, San Joaquin Local Agency Formation Commission (LAFCo) completed a Municipal Services Review (MSR) of Rural Fire Districts in San Joaquin County. The review questioned the appropriateness of the current governance model for fire services in the South County Fire Authority (SCFA) service area, including the policy of non-detachment when unincorporated territory within the District is annexed into the City. The MSR required that the City “Complete a plan regarding the governance model for Tracy Fire Department and Tracy Rural within 18 months subject to the approval of LAFCo. All subsequent annexation requests shall be consistent with the approved plan”. The timeline was subsequently extended to 24 months.

The City submitted the Fire Governance Implementation Plan to LAFCo in July 2013. The plan was discussed by LAFCo, at length during its July 19 and August 16, 2013 meetings. LAFCo continued consideration until its October 18, 2013, meeting and subsequently to the December 13, 2013, meeting. During both meetings, LAFCo expressed concerns regarding the fiscal impact on the County of the current non-detachment policy when territory is annexed into the City.

The City retained Management Partners to address the fiscal and governance issues. Management Partners completed the draft report “Alternative Fire Governance Structure.” The report was distributed to interested stakeholders in July 2014, for their review and comment. These included the Tracy Rural Fire District Board (Tracy Rural) of

Directors, the Fire Service Steering Committee, San Joaquin County, San Joaquin LAFCo and representatives of labor and management within the Fire Department.

Staff requested that the SCFA, Tracy City Council, and Tracy Rural Fire District Board discuss and provide comments on the draft report on alternative fire governance structures.

Fire Chief Nero introduced Lynn Dantzker, Senior Manager, and Andrew Belknap, Regional Vice President, Management Partners.

Ms. Dantzker stated the meeting was to hear comments on the draft Alternative Fire Governance Structures that was submitted to the City on June 24, 2014, and discuss next steps on a financially sustainable fire service for all providers. Ms. Dantzker provided a Powerpoint presentation.

Mayor Ives asked if the final draft of the Alternative Fire Governance Structures report will be provided to LAFCo at their October 24, 2014 meeting. Ms. Dantzker responded the report will be submitted to the City and their recommendation is to convey the report to LAFCo with a cover letter or memo.

Mayor Ives asked if the language received from LAFCo to complete a plan was more analysis than a governance model. Fire Chief Nero responded several reports have been provided to LAFCo over the last 18 months. At the December 2013, meeting, LAFCo stated the last thing they need is a financial analysis for consideration on this issue.

Mayor Ives asked if the report answered LAFCo's concerns regarding the rejected options, fiscal analysis and impact on the County and governance. Fire Chief Nero responded yes. LAFCo's question was specifically regarding detachment versus non-detachment and the effect on the County.

Ms. Dantzker stated at LAFCo's October 2014, meeting a policy statement regarding the direction the City may be headed would be expected. Management Partner's recommended indicating to LAFCo that an option is being looked at but a business model will be looked into to see if it works.

Mayor Ives asked if that would be with a presumption that the current model is unsustainable. Ms. Dantzker responded no.

Mayor Ives stated LAFCo's issue was sustainable governance. Ms. Dantzker responded she had not talked to LAFCo's Executive Director about a financial sustainable model.

Mayor Ives stated the reason for changes are to benefit the tax payer or if there is something broken or unsustainable about the current governance model. Mayor Ives further stated he wanted to make sure that there were no hidden issues that Management Partners or staff picked up on during their discussions with LAFCo and that all entities were on the same page.

Maria Hurtado, Assistant City Manager, stated LAFCo's Executive Director has requested full clarity regarding the property tax implications for the County. In addition, LAFCo was not satisfied with the Fire Implementation Government Structure presented approximately a year ago and wanted full clarity on the fiscal impact. Ms. Hurtado further stated if the body agrees to examine the proposed annexation to Tracy Rural, it

does not mean the City will annex. The mixed phase of analyses will start which includes understanding government structure, administrative implications with regards to operations and the fiscal implications for Tracy Rural, the City and anyone that contracts to provide fire services. The analyses have not been done and would be the next step if directed to explore one option. Ms. Hurtado added it does not mean that the current Joint Powers Authority (JPA) structure is broken; it means that LAFCo is not comfortable with the structure because it is different from other districts that do not have the financing mechanism structure which sets the JPA apart from the rest of the County.

Ms. Dantzker stated it is likely LAFCo will ask the City what the governance plan is at their October 2014, meeting. The City may respond that there is a governance plan and it is working.

Council Member Rickman stated contract negotiations were mentioned which could be out of the City's scope depending on the service provider. Council Member Rickman asked about the effect on California Public Employees Retirement System (CALPERS) and employees.

Ms. Dantzker responded there were two very significant issues. Whoever is employer of employees does the collective bargaining. CALPERS is a very big issue. If employees transfer to Tracy Rural, CALPERS would have to be contacted regarding whether they would be considered classic employees in the new system that went into effect two years ago.

Mayor Pro Tem Maciel stated he served on LAFCo and raised the question of whether there were any concerns about the level or quality of service. Mayor Pro Tem Maciel further stated LAFCo acknowledged that the service is excellent. The point was made that the current JPA was not in compliance and another issue is the financial aspect. Mayor Pro Tem Maciel added the \$0.03 per square foot annual fee is a solid revenue source and if detachment occurs, would go away for those detached properties. Mayor Pro Tem Maciel further stated if other jurisdictions within the county do detach, it will strain the revenue flow to those rural districts. Mayor Pro Tem Maciel stated the City has a solution which is being challenged. The fee is a significant revenue source that would benefit the future fire service in this area. Mayor Pro Tem Maciel added the general concept of the City being annexed has positive aspects and maybe the least worst solution. Mayor Pro Tem Maciel stated if a new entity is formed there should be no change in status and the employee contracts should be honored. The investment those individuals have made in their careers should be at the same level. Mayor Pro Tem Maciel added there is a great deal of motivation at LAFCo to have the issue resolved before the end of 2014.

Board Member Smith stated he appreciated the work that was done on the report. Board Member Smith added if the fire governance structure becomes Tracy Rural, dynamics need to be worked out. Board Member Smith added he was not sure LAFCo's question had been addressed in the report regarding financial impact. Tracy Rural has hired a consultant (Citygate) to review the report. Board Member Smith stated there needed to be a change and the JPA is a broken system. Board Member Smith further stated Tracy Rural has no issue with assisting with the studies, but would like the City to implement the studies.

Steve Abercrombie, Fire Governance Oversight Committee Chair, stated he would like clarity from LAFCo regarding their concerns about the JPA.

Dwayne Mills, Citygate Associates, stated Tracy Rural asked for a review of the study. Mr. Mills further stated Management Partner's recommendations regarding going forward are correct and have spelled out a great deal of work that needs to be done. Mr. Mills added it may be premature to say the answer is annexation to the District; it may well be that a modification to the JPA is appropriate. The analysis looks at moving money back and forth within the 12 annexed areas, but the question of cost to provide fire service in those growing areas has not been asked. Mr. Mills stated the first step to resolving the property tax distribution issue with the County needs to be based on a solid fiscal analysis of continuing to provide the level of fire service. The property tax split question can be answered after issues such as terms of employees, process of annexation and determining the appropriate governance have been addressed. Mr. Mills added what should be looked at is the cost to provide fire service, and what is left over to share with the County. There needs to be approximately a 6-12 month study. A draft scope of service has been prepared with the questions Tracy Rural needs to have answered in order to make decisions regarding the proper governance.

Mayor Ives stated the agenda item is not an action item so a scope of work cannot be developed for continuance of this issue. Mayor Ives asked staff to clarify the direction from the assembled body.

Ms. Hurtado responded Council to provide input on the report. City staff plans to attend the LAFCo meeting in October, 2014. LAFCo will ask for a recommendation and the steps for moving forward. The consultant recommended to further explore the option of the City annexing into Tracy Rural. Ms. Hurtado stated if Council agrees with that recommendation staff will inform LAFCo that the next level of analysis will begin. Ms. Hurtado added if directed to explore any of the other options, staff can communicate that to LAFCo also. Ms. Hurtado further stated the critical decision point for the City is for LAFCo to not impose the detachment. Showing movement towards resolving the governance structure will help.

Mayor Ives asked the body for input for staff to relay to LAFCo at the October 24, 2014, meeting.

Mayor Pro Tem Maciel stated he believed LAFCo has stepped away from their position of not approving any future annexations. Mayor Pro Tem Maciel further stated he is a Commissioner on LAFCo and impressed upon LAFCo the benefit to Tracy and the entire County to have the Ellis and Cordes Ranch projects move forward. Mayor Pro Tem Maciel added if LAFCo decided to fall back on that relationship, the City would bear the brunt on the freeze on annexations. Mayor Pro Tem Maciel further stated he has concerns about the proposal to annex the City into the Rural District. If that annexation were to occur, the citizens who do not currently pay that fee will in the future. Mayor Pro Tem Maciel indicated it is the least worst option and unless staff can show some advantages to the other options, he was in favor of proceeding along the path of annexing the City into the Rural District but recognizing there are many details to be worked out.

Board Member Smith agreed with Mayor Pro Tem Maciel that LAFCo would be satisfied if the path of annexing the City into the Rural District was being pursued. Board Member Smith stated the Scope of Service that Management Partners put together should be distributed to the community and LAFCo to show the next step.

Mayor Ives stated there is nothing unsustainable about what the City and Tracy Rural are doing and he was only in favor of filing the report at the October, 2014, meeting.

Mayor Pro Tem Maciel stated for clarity that is what the report suggests as an option and the report as it stands is fine.

Mayor Ives stated the report almost implies that the best course of action is to annex the City of Tracy fire service to the Rural Fire Protection District. Mayor Ives stated he did not think that was a good idea.

Mayor Pro Tem Maciel asked if the report will be modified.

Mayor Ives stated if he had the unilateral say he would modify the report, and file the report without any specific recommendation from a consulting firm.

Council Member Young stated the current system may have some broken parts while others feel it has worked well over time. Council Member Young indicated she was in support of submitting the report and moving forward. Council Member Young indicated she was in favor of Scenario 1.

Council Member Manne stated there is no harm in filing the report with LAFCo and asking for a response. A comment should be included that it is Management Partners preliminary recommendation based on not having 1 - 2 years of financial data. Council Member Manne further stated if LAFCo has questions, those questions can be addressed at that time. A financial feasibility study on all options is the next step.

Council Member Rickman stated he did not have a problem with filing the report. Council Member Rickman asked staff what will happen if the report is filed.

Ms. Hurtado responded the potential implication is if the City does not present LAFCo with a recommended structure to either stay as is or move forward, LAFCo may approve annexations without the financial structure so they would be detached from Tracy Rural and Tracy Rural would not get the \$0.11 cents or the \$0.03 cents per square foot.

Ms. Dantzker stated it is unknown what LAFCo will do in the face of the report, but they have an option to consider annexations with detachment.

Council Member Rickman stated there is so much unknown and he would rather get feedback by submitting the document.

Mayor Ives urged Mayor Pro Tem Maciel, as a representative of LAFCo, to not allow a response from LAFCo to the City of Tracy absent discussion at the commission level. Mayor Ives added the commission should have an understanding of the importance of the options and determine whether it is important to their mission of providing public services, and not where the money goes when those services are provided. Mayor Ives stated the direction is to file the report and let LAFCo respond.

Troy Brown, City Manager responded if the direction is to file the report, the report should be altered to not lean toward a direction or a recommendation. The report should be filed with the three options outlined.

Board Member Smith stated he agreed with Mr. Brown. Board Member Smith further stated to file the report and move to the next step. There are so many studies that have to be done. LAFCo has already been told that we are heading down that direction and they may have issues if we take that off the table.

Mayor Ives asked Fire Chief Nero if LAFCo has been told the body is heading in specific direction. Fire Chief Nero responded the statement was made to LAFCo that the current structure would be maintained while the possibility of forming a standalone fire agency is being looked at.

Mayor Ives asked if there was still a consensus on filing the report without any specific recommendation from the consultant.

Mayor Pro Tem Maciel responded yes. Mayor Pro Tem Maciel stated in the report there is a reference to when the JPA was originally established and there was an understanding the ultimate goal would be a single fire service entity at some point down the road.

Fire Chief Nero stated that is what LAFCo expressed at the beginning of this entire process.

Mayor Pro Tem Maciel asked if that was LAFCo's interpretation or was there something actually applied when the original JPA was formed. Mayor Pro Tem Maciel asked if LAFCo had stated this has been going on for 12 years with no progress. Fire Chief Nero responded LAFCo expressed the way the JPA is currently operating did not fit into what they felt was an appropriate governance structure. Fire Chief Nero added LAFCo was under the impression 15 years ago, when the JPA was formed, it was the initial step and there would be changes in the future.

Mayor Pro Tem Maciel stated there were no written words in the agreement that made that commitment. Fire Chief Nero responded there are no written words in any agreement that he is aware of.

Mayor Pro Tem Maciel stated perhaps the answer is to tune down the report and eliminate the recommendation and LAFCo to be clear on their feedback.

5. Adjournment – It was moved Mayor Pro Tem Maciel and seconded by Council Member Manne to adjourn. Voice vote found all in favor; passed and so ordered. Time: 7:11 p.m.

The above agenda was posted at City Hall on August 28, 2014. The above are summary minutes.

Mayor

ATTEST:

Interim City Clerk

September 2, 2014, 7:00 p.m.

City Council Chambers, 333 Civic Center Plaza

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

Mayor Ives called the meeting to order at 7:19 p.m., and led the Pledge of Allegiance.

The invocation was provided by Deacon Jack Ryan, St. Bernard's Catholic Church.

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

Mayor Ives introduced new City Manager, Troy Brown.

City Manager Troy Brown presented the Employee of the Month Award to Eileen Solario, Administrative Services Department.

Mayor Ives presented Certificates of Appointment to Param Garewal, Nabeel Razi, and a Certificate of Recognition to Rebecca Fuller, Youth Advisory Commissioners.

1. CONSENT CALENDAR – Following the removal of Items 1.A and 1.I by Paul Miles, and 1.C and I.E by Jim Howell, it was moved by Council Member Rickman and seconded by Council Member Manne to adopt the consent calendar. Roll call vote found all in favor; passed and so ordered.
 - B. Acceptance of the Slurry Seal Project (FY 2012-13) - CIP 73130B, Completed by Tefler Oil Company DBA Windsor Fuel Company of Pittsburg, California, and Authorization for the City Clerk to File the Notice of Completion – Resolution 2014-136 accepted the project
 - D. Adoption of a Resolution Approving a Memorandum of Understanding With the South Side Community Organization of Tracy, California and Authorizing the Mayor to Execute the Agreement – Resolution 2014-137 approved the MOU.
 - F. Approval of a General Services Agreement, Not to Exceed \$240,000, With Advanced Building Cleaners, Inc., for Services Required for Street, Alley, and Parking Lot Sweeping; Authorize the City Manager to Execute Extensions and Any Minor Amendments Associated With this Agreement for Administrative Efficiency; and Authorize the Mayor to Execute the Agreement – Resolution 2014-138 approved the agreement.
 - G. Authorization to Enter Into an Agreement With The State of California Department of Transportation, Related to the Portion of State Highway Route 205 from the West City Limits at Holly Drive to the East City Limits at MacArthur Drive, and Authorization for the City Manager to Execute Current and All Future Freeway Agreements, Including Any Amendments to Those Agreements – Resolution 2014-139 authorized entering into an agreement with the State.

- H. Acceptance of the Tracy Boulevard Overlay Project – CIP 73130A, Completed by Knife River Construction of Stockton, California, and Authorization for the City Clerk to File the Notice of Completion – Resolution 2014-140 accepted the project.
- J. Approve an Amendment to the Master Fee Schedule to Modify the Development Services Public Improvement Plan Check Fee – Resolution 2014-141 approved the amendment.
- A. Approval of Minutes – Regular meeting minutes of May 20, 2014, and closed session minutes of August 19, 2014. Paul Miles, 1397 Mansfield Street, stated on May 20, 2014, under Items from the Audience he had provided more information on the City's failure to investigate his alleged complaints against the Police Chief than was included in the minutes. Mr. Miles also commented on a request made under Items from the Audience for an update on the Tracy Senior Advisory Commission. The minutes had included information from a handout which was given to the Council at the May 20th meeting. Mr. Miles requested the minutes be corrected. It was moved by Mayor Pro Tem Maciel and seconded by Council Member Manne to adopt the regular meeting minutes of May 20, 2014, and the closed session minutes of August 19, 2014. Voice vote found all in favor; passed and so ordered.
- C. Authorize Replacement of Forty-Nine Existing Taser Devices and the Purchase of an Additional Thirty Seven Taser Devices, Along With Related Equipment from Pro Force in an Amount Not to Exceed \$125,000 and Authorize the Mayor to Execute the Agreement – Jim Howell, 340 Hunter Trail, inquired if the replacement devices would also be digital. If so, Mr. Howell felt the \$125,000 would be better spent elsewhere since the City would have to spend \$125,000 or more every four years to replace them. Police Lieutenant Alex Neicu stated the replacements are also digital. They have a limited shelf life and a wear down factor which becomes more apparent each year. They are part of the City's perishable equipment which has to be replaced periodically. It was moved by Mayor Pro Tem Maciel and second by Council Member Manne to adopt Resolution 2014-142, Authorizing Replacement of Forty-Nine Existing Taser Devices and the Purchase of an Additional Thirty Seven Taser Devices, along With Related Equipment from Pro Force in an Amount Not to Exceed \$125,000 and Authorizing the Mayor to Sign the Agreement. Voice vote found all in favor; passed and so ordered.
- E. Approve a Reimbursement Agreement With the United States Fish and Wildlife Service for the Preparation of Technical Review and Consultation Services for the Tracy Hills Specific Plan Project – Jim Howell asked who pays for the preparation of Technical Review and Consultation Services for the project. Bill Dean, Assistant Director of Development Services, stated the City has a Cost Recovery Agreement with Integral Communities to cover all costs associated with processing the applications. In response to a question from Mr. Howell regarding whether Tracy Hills would pay, Mr. Dean stated eventually Tracy Hills would pay. It was moved by Mayor Pro Tem Maciel and seconded by Council Member Rickman to adopt Resolution 2014-143, Approving a Reimbursement Agreement With the United States Fish and Wildlife Service for Environmental Review and Consultation Work Related to the Tracy Hills Specific Plan Amendment Project

and Authorizing the City Manager to Execute the Agreement. Voice vote found all in favor; passed and so ordered.

- I. Approve an Exclusive Negotiating Rights Agreement by and Between the City of Tracy and Andy Zarakani for the City-Owned Property Located at 729/741 Central Avenue and Authorize the Mayor to Sign the Agreement – Paul Miles stated that disposal of City owned property is required to be put out for public bid. Entering into an Exclusive Negotiating Rights Agreement (ENRA) with the petitioner and seeking to agree to a purchase price for the site would seem to bypass the open competitive bid process. Andrew Malik, Director, Development Services, stated the request is for approval of an ENRA for a challenged site with structural issues. It is not a purchase agreement. Mr. Miles pointed out the attachments to the staff report indicate the city and the developer will seek to agree on a purchase price. It was moved by Mayor Pro Tem Maciel and seconded by Council Member Rickman to adopt Resolution 2014-144, Approving an Exclusive Negotiating Rights Agreement by and Between the City of Tracy and Andy Zarakani for a City-Owned Property Located at 729/741 Central Avenue and Authorizing the Mayor to Execute the Agreement. Voice vote found all in favor, passed and so ordered.

2. ITEMS FROM THE AUDIENCE

Jim Howell, 340 Hunter Trail, stated a number of dead trees and shrubs had been removed from his neighborhood and inquired when the landscape crews would return. Maria Hurtado, Assistant City Manager, stated the landscape crews are in the process of addressing the weed and dead tree issue and will follow-up with a maintenance program. Ms. Hurtado offered to meet with Mr. Howell regarding his specific area.

Ms. McManus, President of the South Side Community Organization thanked Council for approving an MOU with the Organization.

Dave Helm welcomed Mr. Brown, City Manager, to Tracy. Mr. Helm thanked Maria Hurtado, Assistant City Manager, and Gary Hampton, Police Chief, for stepping up during the City Manager recruitment process. Mr. Helm suggested the Council consider reducing the number of consultants the City uses.

DEVIATION

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 – Kimberly Matlock, Assistant Planner, presented the staff report and used a power point in her presentation.

The Sutter Gould Medical Foundation is in the process of expanding their medical campus on Eaton and Bessie Avenues. Staff supports Sutter's concept which will expand medical services offered to the Tracy community.

The project site is located on the southeast perimeter of the Medical Office (MO) zone where the Eaton Medical Plaza currently sits, adjacent to existing single-family homes zoned Medium Density Residential. 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.

Sutter's Development Review application proposes a new 45,000 square foot medical office building and associated parking areas with access from Eaton Avenue, Bessie Avenue, and Beverly Place. Sutter proposes to keep the Eaton Medical Plaza building operational while the new facility and parking areas are constructed. Eaton Medical Plaza building will then be demolished and parking areas will be constructed in a phased construction plan over approximately 18 months. Additional employee parking is proposed to be constructed on the south side of Eaton Avenue with two driveways onto Eaton Avenue. Sutter's proposed two-story building employs a mix of modern materials and colors.

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

Final actions on Development Review permits are made by the City Council, the Planning Commission, and in some cases, the Development Services Director. Due to the community interest in the project, the Development Services Director determined that the community would be better served through the public hearing process at Planning Commission, which took place on March 26, 2014. Several members of the public spoke in opposition of the project as designed, citing reasons related 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 the unlikelihood of the Valley Oak surviving its extraction and replanting.

The concept of holding the building to the corner was also discussed at the March 26th public hearing. This concept is a design tool that is considered with any development project and is most successful when it achieves a higher quality design at prominent intersections. Following the 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 voted to deny the project.

Ms. Matlock closed her presentation by showing a series of slides which depicted the location and architecture of the homes, medical buildings, the hospital and a two-story medical office building in Stockton located on a street with parking behind.

Mayor Ives opened the public hearing.

Dave Romano, LDA Partners, used a power point in his presentation. Mr. Romano gave an overview of the site, the project and the services which would be provided at the facility. On October 3, 2013, a meeting was held with local residents and changes were made to the original plan. More changes were suggested by the Planning Commission in order to be sensitive to the neighborhood and to give Tracy the best possible project. Mr. Romano stated the site is zoned for this project and discussed access and circulation in and out of the building. Substantial changes have been made to the project and Mr. Romano added this is the best design for the community.

Jacob Beury, Project Manager, also used a power point in his presentation and stated he had met with the Planning Commission in March and discussed how to improve the project even further. Mr. Beury discussed pedestrian and vehicular access to the project, the materials which would be used, and the landscaping. Mr. Beury indicated the project would be a two story building replacing the three story building which is currently on the site.

Dr. David Pedersen, Family doctor with Gould Medical Group which became affiliated with Sutter in the 1990s, stated Tracy has a need for an integrated medical system which puts the patient first and focuses on patient care. This medical facility will partner with Sutter Tracy to provide one-stop shopping for patients in adult and pediatric medicine.

Dave Thompson, Chief Executive Officer, Sutter Tracy Community Hospital, stated the hospital has 550 employees, 300 of which live in Tracy. Fully occupied the facility will add 70 new non-physician jobs with a medical payroll of \$4 million per year. With the addition of new physicians the payroll will increase to \$6 million per year. Jobs include benefits and a pension plan. Additional jobs will be created as the number of patients increase. This facility will expand medical care in Tracy and throughout the surrounding communities. Three neighborhood meetings have been held and discussions have occurred with adjacent land owners. Several property owners have expressed their support of the project. Parking has also been improved not only for the new facility but also for the medical offices in the area. Several changes and enhancements to the project have been made, and Mr. Thompson asked Council to grant the appeal.

Pete Mitracos, Resident, on behalf of Concerned Neighbors of Sutter, offered a power point in his presentation, and stated he agreed with the decision made by staff. There is a lack of adequate parking on the site and traffic congestion will be increased. Mr. Mitracos gave an overview of Sutter's Central Valley Expansion history, the profit made by the various medical entities, and suggested that very little community benefit is received from Sutter. Mr. Mitracos questioned whether Sutter will increase the number of jobs or simply move doctors and staff from existing buildings.

Mr. Mitracos gave a brief overview of Sutter's interest in building at the Gateway Business Park, which after it failed resulted in Sutter purchasing Eaton Medical. In 2013

Sutter began discussions with City planning staff and in March 2014 the Planning Commission unanimously denied Sutter's application for the current project.

Mr. Mitracos discussed the parking situation and indicated the project could be short as many as 469 parking places. Mr. Mitracos stated site planning issues have not been addressed and suggested the project be sent back to planning staff. Mr. Mitracos compared a number of medical facilities in the area which are similar in size to the current project but which are built on much larger sites. In closing, Mr. Mitracos stated the City needs to set the standards and uphold them, and asked Council to deny the appeal.

Arch Bakerink, 1030 Central Avenue, questioned the financial statements presented by Mr. Mitracos. Mr. Bakerink was concerned with what would happen if the project is not built and stated he believed the hospital would lose doctors. Mr. Bakerink believed the project would create jobs and more highly paid and qualified health care workers, and concluded by stating his support for the project.

Steve Nicolaou, 1068 Atherton Drive, suggested that any Council Member who sits on a board which receives donations from the Tracy Hospital Foundation should consider recusing themselves from voting on this item.

A number of handouts in support of, and in opposition to the project were provided to the Council from residents who were unable to attend the meeting.

Residents who spoke in opposition to the project voiced their concerns related to traffic, pollution and parking issues, loss of peacefulness in the area, the building violates the character of the neighborhood and will contribute to urban blight, the project does not meet the requirements of the City's General Plan, the project is too large for a residential area and Gateway would be a better fit, and the lack of an environmental impact report.

Other speakers agreed the facility was needed but not at the proposed location.

Residents who spoke in favor of the project cited a belief in the Sutter vision, the fact that the owner has the right to build, the medical care provided for battered and homeless women, the quality health care services which will be brought to Tracy, doctors will have quicker access to patients in emergency care and ICU, and the fact that the area is zoned for medical office buildings.

Mayor Ives closed the public hearing.

Mayor Ives recessed the meeting at 9:40 p.m. The meeting was reconvened at 9:50 p.m.

Council Member Rickman referred to the Planning Commission minutes of March 26, 2014, and asked staff to comment. Bill Dean, Assistant Director, Development Services responded the project is not inconsistent with the General Plan, but could be improved by modifying the architecture and relocating the building further away from the residents.

Council Member Rickman referred to the General Plan Objectives and Design goals and Standards included in the staff report and asked why it was important to have this

building in this position. Mr. Dean responded because it is a site that provides an opportunity to create a more pedestrian feel and one way to achieve that is to bring the building up to the corner. This site also provides an opportunity to move a 45,000 square foot development further away from the residents.

In response to a question from Council Member Rickman regarding the neighborhood's historical component, Mr. Dean responded when new development occurs in certain neighborhoods the City tries to blend the development with the architectural theme in order to soften the look and better integrate the buildings.

Council Member Rickman asked Mr. Dean to comment on the traffic aspect. Mr. Dean responded when staff considers a development it is not just vehicular traffic, but an opportunity to look at multi modal connectivity and mobility throughout the community. One way to do that is to create development that adds to the pedestrian safety feel of an area.

Council Member Manne stated significant changes have been made by the Planning Commission and asked at what point the item is no longer an appeal but a new agenda item. Mr. Dean responded this item is an appeal of an application which was sent to Planning Commission and denied. The item before you has not been evaluated in detail by staff. Dan Sodergren, City Attorney, stated Council should make its decision on what staff presented originally. If Council likes what was proposed by Sutter the changes could be incorporated into the Conditions of Approval and would not need to go back to the Planning Commission. However, at the discretion of the Council the changes could be sent back to the Planning Commission.

Council Member Manne asked why an EIR had not been done. Mr. Dean responded when denial of a project is recommended a CEQA analysis is not required. However, if the application moves forward some issues would be revisited including traffic studies.

In response to a question from Council Member Manne regarding whether Council Members would have to recuse themselves from voting on this issue if they sat on the board of a non-profit organization which received donations from the Hospital Foundation, Mr. Sodergren responded he did not see it as a conflict. Mr. Manne stated he did not have a conflict.

Council Member Rickman asked what the hours of operation would be for the facility, and how an increase in the number of patients would be accommodated. David Cambogia, Director of Business Development for Sutter Gould Medical Foundation, stated the facility will serve 20,000 initially, and 45,000 patients with a full complement of staff. Normal hours of operation would be 8 a.m. to 5 p.m. Some departments would be able to offer services from 6 a.m. to 8 p.m., but that is not the intent at this time. However, in the future, if the building reaches full capacity the hours will be extended to accommodate the additional patients.

In response to a question from Council Member Rickman regarding the building setup, Mr. Beury stated the building is similar to other Sutter medical facilities in many ways, although this facility has many specialty service areas which are designed differently and located closer to the areas they serve. The layout of this building has been designed for the site, the neighborhood, proximity to the hospital and for the specialties it offers.

Council Member Rickman asked why the building cannot be relocated if the layout is designed for the site. Mr. Beury responded that moving the building would create a number of different problems including placing a busy entrance next to the homes. Mr. Beury responded the facility has been built to a campus design which is centered around an open area with buildings flanking it. Moving the building would weaken the campus design.

Mayor Pro Tem Maciel stated he had visited the site and talked with the residents who had offered a number of alternatives regarding how the building sits on the site. Mayor Pro Tem Maciel stated if Council is to embrace the building at this site, it will generate traffic, and it will change the character of the neighborhood. However, the Council has an entity before them willing to spend a lot of money to create jobs which will add millions of dollars to the community through payroll, and will enhance the level of medical service to residents. Mayor Pro Tem Maciel stated he believed the project does adhere to the General Plan provisions, and if the appeal is granted Sutter will continue to have an obligation to be a good neighbor. Mayor Pro Tem Maciel stated he would support the appeal with the conditions that have been laid out. In response to a question from Mayor Pro Tem Maciel related to traffic and environmental review, Mr. Dean stated some type of environmental review and traffic study would be conducted. Mayor Pro Tem Maciel stated he was not sure some of the concerns rise to the requirements of the General Plan and added he believed the facility would be an improvement to the neighborhood.

Council Member Young suggested the Council step back and listen to the community. The Council is challenged to look at in the bigger picture to determine what is best for Tracy. The hospital will be serving newer generations long after current residents are gone, but added the Council has to look at what it wants for the City now. Council Member Young stated many of the issues that had been brought up were provided with alternatives in the presentations.

Council Member Manne stated that throughout the process he had kept an open mind. The decision is not an easy one, but Council Member Manne stated he was concerned with the health and safety of the community and added he had to agree with the applicant.

Council Member Rickman stated Sutter has benefitted the community and he believed this project was a good one which would provide an economic boost to the City. However, there has to be a balance between Sutter and the surrounding neighborhood. Council Member Rickman added that taking into consideration the General Plan requirements he was concerned with the lack of privacy, devaluation of property, aesthetic impact and the buffer zone. Council Member Rickman stated he wanted to know specifically why the building could not be moved to the corner to provide a buffer, and added he wanted the project sent back to Planning Commission to have some of the residents' concerns addressed.

Mayor Ives stated many years ago a decision was made to locate medical facilities in the area and questioned whether where this facility was located on the site would make a substantial difference. The medical zone has served the community well and if this facility improves medical services to the community it is worthy of further evaluation. Education, jobs and healthcare are important to the whole community. Mayor Ives stated he was willing to grant the appeal with the understanding that there is some improvement that the public process has determined. Not every change the neighbors

want has been granted, but Sutter has made many changes. Mayor Ives added he was in favor with the understanding that the application will have to go through the standardized process.

In response to a question from Council Member Rickman, Mr. Sodergren stated Council can deny the appeal, or uphold the appeal with or without conditions. If the motion is approved to uphold the appeal with conditions as proposed by the applicant, staff would bring back draft findings, draft Conditions of Approval and draft environmental documents for Council to review.

Council Member Manne motioned to approve the appeal with conditions as relayed by the applicant. Mayor Pro Tem Maciel seconded the motion. Voice vote found Council Member Manne, Mayor Pro Tem Maciel, Council Member Young and Mayor Ives in favor; Council Member Rickman opposed. Motion carried 3:2.

Mayor Ives recessed the meeting at 10:45 p.m. The meeting was reconvened at 10:50 p.m.

Mayor Ives announced that agenda item 5 would be rescheduled to October 7, and agenda items 7 and 8 would be rescheduled to a later date.

3. PUBLIC HEARING TO CONSIDER ADOPTION OF A RESOLUTION REVISING THE IMPLEMENTATION GUIDELINES OF THE RESIDENTIAL GROWTH MANAGEMENT ORDINANCE (GMO) – Bill Dean, Assistant Director, Development Services, presented the staff report. The GMO, established in 1987, has been amended several times in response to General Plan updates, new and amended Specific Plans, changing demands for residential housing units, and Measure A. The GMO Guidelines were developed to provide policy direction to the development community, staff and the Growth Management Board in administering the GMO, as amended by Measure A. The most recent amendment to the GMO Guidelines was completed in 2012 when significant decisions regarding locational/project priorities were made.

The amendment to the GMO Guidelines would modify the timing of RGA applications and allocations. When the current GMO Guidelines were adopted, it was anticipated that a number of small development projects would begin construction at varying times in 2013 and 2014. The Guidelines were established to allow applications for RGAs to be received and processed at any time during those calendar years in order to facilitate those projects being moved through the entitlement process quickly. In 2012, it was envisioned that a more stringent application deadline would better facilitate RGA allocation and GMO implementation for years beyond 2014. Accordingly, the GMO Guidelines currently contain strict, once a year RGA application requirements.

While a number of residential projects have moved forward in 2013 and 2014, there are still several that are completing the development application process and wish to begin construction at various timeframes throughout 2015 and 2016. Allowing the Growth Management Board to act as needed in 2015/2016 as opposed to only once a year would greatly facilitate the completion of these projects.

An extension for an additional two years of being able to receive RGAs at any time in the calendar year (through 2016) would help more projects obtain permits during the next two years, as many permits are available and larger projects are not yet ready to begin

construction. Any project vested to prior versions of the GMO and GMO Guidelines would still be subject to those guidelines.

The adoption of these GMO Guidelines is not subject to the California Environmental Quality Act because it is not a project which has the potential to cause a significant effect on the environment. All development projects are required to comply with CEQA as a part of their project approvals, and all of the potential environmental impacts are studied and mitigated through the development process, not through the administration of the GMO.

The GMO Guidelines are also subject to Government Code Section 6583.6, relating to residential growth limitations. This section requires that any ordinance which limits the number of housing units that may be constructed on an annual basis to make findings as to the public health, safety and welfare of the City to justify the reduction of housing opportunities in the region. The proposed changes to the GMO Guidelines will not be detrimental to the health safety and welfare of the residents of Tracy because they aid only in the administration (i.e. timing of RGAS) of the existing regulations within the GMO.

Mayor Ives opened the public hearing. Since there was no one wishing to address the Council the public hearing was closed.

Mayor Pro Tem Maciel motioned to adopt Resolution 2014-145, Revising the Implementation Guidelines of the Growth Management Ordinance. Council Member Manne seconded the motion. Voice vote found all in favor; passed and so ordered.

5. DISCUSS AND PROVIDE DIRECTION ON A CITY COUNCIL POLICY FOR FILLING CITY COUNCIL VACANCIES AND VACANCIES OCCURRING IN THE OFFICE OF MAYOR – Item rescheduled to October 7, 2014.
6. APPROVE THE SAN JOAQUIN COUNTY MASTER RADIO COMMUNICATIONS PLAN; AUTHORIZE A LAND LEASE AGREEMENT FOR INSTALLATION, MAINTENANCE AND OPERATION OF A COUNTY OWNED PUBLIC SAFETY RADIO COMMUNICATIONS TOWER AND EQUIPMENT WITH THE COUNTY OF SAN JOAQUIN (“RADIO TOWER”); APPROVE AN AMENDMENT TO THE JOINT USE AGREEMENT BETWEEN THE CITY AND THE COUNTY FOR COMMUNICATIONS FACILITIES TO INCLUDE THE RADIO TOWER; APPROPRIATE \$2,500,000 DOLLARS FROM THE CITY’S GENERAL FUND TO CIP # 71050 FOR NEW COMMUNICATIONS EQUIPMENT AND SITE IMPROVEMENTS; AND AUTHORIZE THE MAYOR TO EXECUTE A PURCHASE AGREEMENT FOR RADIO COMMUNICATIONS EQUIPMENT WITH MOTOROLA INCORPORATED FOR AN AMOUNT NOT TO EXCEED \$2,500,000 – Lani Smith, Support Operations Manager, presented the staff report. On April 16, 2013, the City adopted a Citywide Public Safety Master Plan (Resolution 2013-56). The Master Plan identifies the need for a radio communications tower, equipment, and appurtenances to serve new development and to update and improve existing communications coverage throughout the City. The Master Plan also anticipates that without the Radio Tower new development will impact critical contact between emergency field units and the communications center. Also, radio coverage is needed in areas the existing communications system does not currently cover.

Staff has met with property owners and land developers to discuss the impact of new development and to identify funding strategies to fund the Radio Tower through a combination of developer fees, grant awards and City funds.

The Radio Tower will be a joint project between the City and County that continues to meet the goals of the Master Radio Communications Plan by expanding radio coverage for and between the City and County. The proposed radio coverage expansion is in direct compliance with the Master Radio Communications Plan.

San Joaquin County owns and operates a wide variety of radio equipment and radio frequencies that serve the communication needs of local public safety departments and government agencies. In March 2008, the City and County entered into a Joint Use Agreement for Communications Facilities. Per the Agreement, the City needs to use County-owned equipment as part of its communications infrastructure. Since the Agreement is specific to the tower located at the Tracy Police Department staff will amend the agreement to include the new Radio Tower. The City and County identified a need to install a second site consisting of the Radio Tower. Extensive research was conducted to locate a Radio Tower at a beneficial location for both the City and County. The City owns real property located at 15178 W. Schulte Road, APN: 209-230-29, in Tracy California (the "Property"). The City intends to lease the Property to the County so the County can build the proposed Radio Tower. In exchange for leasing the land, the County would install, maintain, and operate the Radio Tower.

The City and County worked collaboratively to facilitate joint use of radio communication services for the San Joaquin County Operational Area. The Plan sets goals to establish a county wide public safety digital simulcast infrastructure to serve as the building block for interoperability. This infrastructure would allow public safety agencies to have a single countywide interoperability channel for not only emergency communications in a disaster but also for daily tactical activities. Staff recommended that the City Council formally adopt the Plan which will augment the Public Safety Master Plan by articulating specific methods to improve public safety communications.

To accommodate the Radio Tower project, a land lease of City property is required. Staff proposed that the City lease the property to the County for the purposes of it becoming and remaining a radio site with a 180' communications tower with a County built and owned equipment shelter and generator. The proposed lease provides for the City to install and provide the access road and chain link fencing with access gate to prevent unauthorized entry onto the Property. The cost for the site improvements is projected to be \$250,000. City and County staff also proposed amending the Joint Use Agreement for Communications Facilities to include the new Radio Tower.

The proposed radio system equipment from Motorola has been priced to comply with the Houston Galveston Area Council Cooperative Purchasing Agreement. This is a competitively bid nationwide cooperative purchasing agreement that the City of Tracy can purchase from pursuant to Tracy Municipal Code section 2.20.220.

The proposed Motorola K-Core for Tracy Police can directly connect and interface the UHF Conventional System to the San Joaquin County System as a Conventional Sub-System for departmental interoperations in the event of a multiple agency crisis or event. This provides Tracy Police with the same System Level capabilities as the San

Joaquin County System including the same dispatch screens and infrastructure resources, and also allows San Joaquin County the same capabilities as Tracy Police. Additionally, when San Joaquin Countywide System implements ISSI (Project 25 Inter-RF Subsystem Interface P25 ISSI), this will provide Tracy Police the ability to interoperate with Sacramento County and other Motorola P25 Systems via the ISSI interface and retain all Motorola features and capabilities. The proposed system provides system level redundancy for the Tracy Police Department, sharing resources, and complete interoperability with San Joaquin County and is a complete standalone system that does not need to rely on the county system to operate. Lastly, the proposed Motorola K Core Communications System for Tracy Police is capable of supporting trunking functionality without having to replace proposed equipment. The consoles and radios are capable of interoperating with the San Joaquin County wide trunked system as proposed in the San Joaquin County Master Plan.

For the reasons stated above, and based on the written approval from the City Manager Motorola Communications Incorporated qualifies as a sole source vender pursuant to Tracy Municipal Code section 2.20.180(b)(2). Several costs are associated with the Radio Tower project; however this report addresses costs related to the purchase of tower equipment and a land lease agreement between the City and the County for installation, maintenance, and operation of a County-owned radio communications tower.

The cost to purchase radio communications equipment from Motorola is approximately \$2.5 million. This cost will be shared between the City and applicable developers, although the City would be reimbursed approximately \$1.3 million in developer fees. The City will initially fund the full cost of the communications equipment from its General Fund. The development community will reimburse the City their respective share of the tower equipment cost and other related expenses over a period of time.

The land lease agreement between the City and the County provides for the lease of City land to the County in exchange for the construction, maintenance, and operation of a County-owned radio communications tower which the City will be allowed to use for its radio communications. It is anticipated that the County will secure a grant to build the tower and use County funds to purchase and install the County and City radio communications equipment on the tower. The City will be responsible for constructing and maintaining an access road to the communications tower and installing fencing to prevent unauthorized entry. These costs are projected to be \$250,000 and are included in the recommended appropriation from the General Fund Balance.

Although not known at this time, it is anticipated that a future need for radio communications equipment exists for fire services. After the equipment needs have been identified, development impact fees will need to be adjusted accordingly. The Radio Tower will be built in a manner that will support the Fire Department's communications needs.

Entering into a lease with San Joaquin County is statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15269 (c) related to specific actions necessary to prevent or mitigate an emergency. Providing land via a lease to the County for the location of critical public safety equipment helps to prevent and mitigate emergencies. San Joaquin County, the entity constructing the tower is separately conducting CEQA review for construction of the tower.

Council Member Rickman inquired if the tower would improve radio reception in Corral Hollow Canyon. David Newaj, Assistant Director, Information Services Department, San Joaquin County, responded the new tower would improve reception in the Canyon.

Mayor Ives invited public comment.

George Riddle, 1850 Harvest Landing Lane, asked if there would any room on the antennae for amateur radio repeaters. Jeremy Watney, Police Captain, responded there will be plenty of room on the tower, since in the future, the Fire Department intends to utilize the tower as well.

Dave Helm stated he hoped the system would be seamless so police and fire could communicate on the same radio system. Mr. Helm added he strongly supported this system.

Dave Anderson, 1940 Earl Way, reiterated Mr. Riddle's concerns regarding whether the amateur radio emergency network would be supported. Mr. Anderson asked if the tower would be lighted since it is on the approach path to the airport. Ms. Smith stated the tower would be lighted and painted.

Mayor Pro Tem Maciel motioned to adopt Resolution 2014-146, Approving the San Joaquin County Master Radio Communications Plan; Authorizing a Land Lease Agreement for Installation, Maintenance and Operation of a County Owned Public Safety Radio Communications Tower and Equipment with the County of San Joaquin ("Radio Tower"); Approving an Amendment to the Joint Use Agreement Between the City and the County for Communications Facilities to Include the Radio Tower; Appropriating \$2,500,000 from the City's General Fund to CIP 71050 for new Communications Equipment and Site Improvements; and Authorizing the Mayor to Execute a Purchase Agreement for Radio Communications Equipment with Motorola Incorporated for an Amount Not to Exceed \$2,500,000. Council Member Rickman seconded the motion. Voice vote found all in favor; passed and so ordered.

7. RECEIVE UPDATE ON THE CITY COUNCIL GOVERNANCE STRATEGIC PRIORITY FOR FISCAL YEAR 2013-15 – Rescheduled to a later date.
8. RECEIVE UPDATE ON CITY COUNCIL QUALITY OF LIFE STRATEGIC PRIORITY FOR FISCAL YEAR 2013-15 – Rescheduled to a later date.
9. APPROVE RESPONSES TO THE 2013 - 2014 SAN JOAQUIN COUNTY GRAND JURY REPORTS ON: (1) TRACY MUNICIPAL AIRPORT: DEVELOPMENT VS. SAFETY ZONES (CASE NO. 1213); AND (2) AGENCY APPROVAL OF RESPONSES TO GRAND JURY REPORTS: DO THEY KNOW WHAT THEY APPROVE? (CASE NO. 1613) – Dan Sodergren, City Attorney, and Maria Hurtado, Assistant City Manager presented the staff report and used a power point in their presentations. The 2013-2014 San Joaquin Grand Jury issued two reports relating to the City of Tracy: (1) Tracy Municipal Airport: Development vs. Safety Zones (Case No. 1213); and (2) Agency Approval of Responses to Grand Jury Reports: Do They Know What They Approve? (Case No. 1613). Under state law the city needs to respond to the Grand Jury within 90

days. Mr. Sodergren presented the draft response to Case No. 1613 and recommended the Council approve the response.

Mayor Ives invited public comment.

Robert Tanner, 1371 Rusher Street, stated he agreed with the City's response to Case No 1613, that future responses to Grand Jury Reports will be placed on the City's regular agenda for discussion and consideration.

With regard to Case No. 1613, "Agency Approval of Responses to Grand Jury Reports: Do They Know What They Approve?" it was moved by Mayor Pro Tem Maciel and seconded by Council Member Rickman to adopt Resolution 2014-147 Approving the response and authorizing the Mayor to sign the letter. Voice vote found all in favor; passed and so ordered.

City Attorney Sodergren and Assistant City Manager Hurtado presented the Recommendations and Findings, to Case No. 1213, Tracy Municipal Airport: Development vs. Safety Zones (Case No. 1213).

Mayor Ives invited public comment.

Robert Tanner, 1371 Rusher Street, inquired what the penalty would be if the contractor did not comply with the requirements. Mr. Sodergren responded failure to comply could result in the City taking steps to void the contract (Section 5.0, Finding F 5).

Steve Nicolaou, 1068 Atherton Drive, stated he agreed with the City's finding on Section 5.0. On Section 1.0, F 1, Mr. Nicolaou disagreed with the City's response regarding City staff provided inaccurate and incomplete information. Mr. Nicolaou stated he also disagreed with Section 4.0, Finding F 4, Airport Classification and Future Development. On finding F2.1, Mr. Nicolaou agreed nothing was brought to Council for approval, however, Mr. Nicolaou referred to a draft agreement dated April 18, 2013, and read into the record from Article 2: Payment Provisions, Section 2.1 Payment by Surland (2.1.1); Section 2.2 Payment of Fuel Fees by Tracy Air Center (2.2.1), and Section 3.2 Disbursement to Surland of Fuel Fees, (3.2.1).

Mr. Nicolaou entered into the record two documents including the draft agreement dated April 18, 2013, entitled "Minimum Annual Payment Guarantee Agreement," and a letter from Surland's attorneys, Miller, Starr, Regalia, 1331 N. California Blvd, Walnut Creek, CA 94596, dated October 15, 2013, addressed to Mayor Brent H. Ives and Members of the City Council, Re: Surland Communities LLC; Response to Recent and False and Scurrilous Attacks Regarding Tracy Airport.

Mark Connolly, Attorney, 121 E. Eleventh Street, stated the City was in violation of Penal Code section 933.05. Mr. Connolly read into the record a handout dated September 2, 2014, addressed to the Mayor and Members of the City Council regarding Grand Jury Report 2013-2014 Case No. 1213 - Tracy Municipal Airport: Development of Safety Zones. Mr. Connolly suggested the proposed responses included in the staff report should be rejected and the recommendations of the Grand Jury implemented.

Dave Helm commented on the following sections of Case No. 1213:

Section 1, Staff Reports Provided to the City Council, Finding F.1 – City staff provided inaccurate and incomplete information to the City Council which could jeopardize the eligibility for the City receiving future grants. Mr. Helm stated the Council did receive incomplete information and suggested the City's response was inaccurate.

Section 2, Business Proposal to the City of Tracy, Finding F 2.1 – The Tracy City Council did not enter into any written contractual agreement related to any of the contingencies contained in the Airport Agreement Memorandum. However, language in the AAM gave a clear perception that there was an agreement between City staff and the local developer to undertake the contingencies in the memorandum. Mr. Helm stated the City Manager is authorized to sign contracts up to \$50,000, and asked if there was an agreement signed by the City Manager, under the authority of the Tracy Municipal Code, for \$50,000.

Section 3, City Acceptance of Third Party Payments, Finding F.3 - There are no adopted policies or procedures for the City to accept a third party check for a debt owed to the City under a contractual agreement with a private firm. Mr. Helm stated on June 18, Council agreed to shorten the runway. On June 19 the check for \$50,000 was cashed.

Section 4, Airport Classification and Future Development, Finding F.4 - The change in the Tracy Airport runway length, requested in the Airport Agreement Memorandum, could have resulted in significant changes in the Ellis Specific Plan uses and densities allowed to be developed within the safety zone. Mr. Helm stated the fact that the length of the runway would have no bearing on development was untrue.

Section 5, City Review of Business Licenses, Finding F.5 – The City processed an amendment to the airport fuel operator's contract without checking the current status of the operator's license. Mr. Helm stated not only did the City not check the status of the operator's license, but shortly thereafter processed an amendment that benefitted the operator.

Mr. Helm stated the responses were incorrect and encouraged Council to do the right thing.

Dave Anderson, 1940 Earl Way, stated he disagreed with the City's response to Finding F.1. Regarding Finding F.4., Mr. Anderson disagreed with the City's response adding that the increase in the number of houses from one house per acre to between 4-9 houses per acre would have net Surland \$250m.

Following a lengthy Council discussion the Findings and Recommendations as amended were approved as follows:

Section 1.0 - Staff Reports Provided to the City Council

Finding - F 1 City staff provided inaccurate and incomplete information to the City Council which could jeopardize the eligibility for the City receiving future grants.

The City agrees with this finding. City staff provided inaccurate and incomplete information to the City Council relative to the information it had at the time.

Recommendation - R 1 City Council direct staff to conduct a comprehensive review for the Council by September 30, 2014, of the FAA and Caltrans safety zone requirements related to development and mandated requirements on runway lengths at the Tracy Airport to insure the City is in compliance for future grant funds.

This recommendation will be implemented by December 31, 2014. By that time, City staff will conduct a comprehensive review for the City Council of the FAA and Caltrans safety zone requirements related to development and mandated requirements on runway lengths at the Tracy Airport to insure the City is in compliance for future grant funds.

Section 2.0 - Business Proposal to the City of Tracy

Findings

F 2.1 The Tracy City Council did not enter into any written contractual agreement related to any of the contingencies contained in the Airport Agreement Memorandum. However, language in the AAM gave a clear perception that there was an agreement between City staff and the local developer to undertake the contingencies in the memorandum.

The City agrees that the Tracy City Council did not enter into any written contractual agreement related to any of the contingencies contained in the Airport Agreement Memorandum. A majority of the City Council agrees that, based on the language in the AAM, a perception could be gleaned that there was an agreement between City staff and the local developer to undertake the contingencies in the memorandum.

F 2.2 City leaders did not approve any amendment to the ESP as requested by the local developer.

The City agrees with this finding.

Recommendation

R 2 The Tracy City Council adopt a policy by September 30, 2014, requiring full disclosure of any actions taken by the City on proposed substantial changes to major development projects with the City of Tracy.

This recommendation will not be implemented as it is neither warranted nor reasonable.

Section 3.0 - City Acceptance of Third Party Payments

Finding

F 3 There are no adopted policies or procedures for the City to accept a third party check for a debt owed to the City under a contractual agreement with a private firm.

The City disagrees with this finding. The City is subject to state law requirements relating to acceptance of checks. Government Code section 6157 provides that a city must accept certain personal checks and all corporate checks, cashier's checks, money orders, or other draft methods, drawn in its favor or in favor of a designated city official,

in payment for any license, permit, or fee, or in payment of any obligation owing to the public agency.

For personal checks, a city can require the person issuing the check to furnish proof of residence in this state and that the check be drawn on a banking institution located in this state. Other than this limited instance, a city may not refuse to accept a check, money order, or other draft based on the person or corporation issuing the check or the banking institution involved.

Recommendation

R 3 The Tracy City Council adopt a policy by September 30, 2014, relating to the acceptance of third party payments for contractual obligations to the City of Tracy.

This recommendation will be implemented as soon as practicable. The City will include a reference to Government Code section 6157 in its Financial Policies the next time such policies are reviewed and updated.

Section 4.0 - Airport Classification and Future Development

Finding

F 4 The change in the Tracy Airport runway length, requested in the Airport Agreement Memorandum, could have resulted in significant changes in the Ellis Specific Plan uses and densities allowed to be developed within the safety zone.

The City agrees with this finding.

The uses and densities contained in the Ellis Specific Plan are required to be consistent with the ALUP (unless overridden by the City Council). The length of an airport's runway does play a factor in establishing safety zones within an ALUP, however, it is not the only factor. For example, although the length of the Runway at issue here meets criterion for a median general aviation safety zone, the 2009 San Joaquin County ALUP established a "hybrid" safety zone for the Runway. Therefore, even if the length of the Runway was somehow modified by the City, the Ellis Specific Plan would still have to be consistent with the current ALUP. The length of the Runway does not directly impact the uses and densities contained in the Ellis Specific Plan; such uses and densities are, however, directly impacted by the ALUP.

Section 5.0 - City Review of Business Licenses

Finding

F 5 The City processed an amendment to the airport fuel operator's contract without checking with the current status of the operator's State license.

To the extent the Grand Jury is referring to the operator's corporate status with the California Secretary of State's Office, the City agrees with this finding.

Recommendation

R 5 The Tracy City Council adopt a policy by September 30, 2014, requiring the review of the current status of a business' State license when any applicable City contract is proposed to be amended or renewed.

This recommendation will not be implemented because it is not warranted and is not reasonable. However, the City will include the following language in all of its standard form contracts:

Contractor shall provide City proof that it has filed all required documents and/or forms with the California Secretary of State and has met all requirements of the Franchise Tax Board, to the extent such requirements apply to Contractor. By entering into this Agreement, Contractor represents that is not a suspended corporation. If Contractor is a suspended corporation at the time it enters into this Contract, City may take steps to have this Agreement declared voidable.

It was moved by Council Member Rickman and seconded by Council Member Manne to adopt Resolution 2014-147 approving the responses as amended in Grand Jury Case No. 1213, "Tracy Municipal Airport: Development vs. Safety Zones." Voice vote found all in favor; passed and so ordered.

10. ITEMS FROM THE AUDIENCE - None

11. STAFF ITEMS – None

12. COUNCIL ITEMS.

A. Appoint an Applicant to the Transportation Advisory Commission from the Commission's Eligibility List – There is a vacancy on the Transportation Advisory Commission due to the resignation of Commissioner O'Neil. The last time appointments were made to the Transportation Advisory Commission was April 15, 2014. At that time the subcommittee nominated two applicants to fill vacancies on the Transportation Advisory Commission and recommended three applicants be placed on an eligibility list. Council confirmed the subcommittee's nomination and the creation of an eligibility list.

Following Mr. O'Neill's resignation staff contacted Mr. Helpley who indicated he was interested in completing the remainder of Mr. O'Neill's term. William Helpley was appointed to fill the remainder of a vacated term commencing on September 3, 2014, and expiring on April 30, 2015.

B. Appointment of City Council Member to Deuel Vocational Institution Advisory Committee – At the Council meeting held on August 19, 2014, Mayor Pro Tem Maciel stated he could no longer serve on the Deuel Vocational Institution Advisory Committee due to a scheduling conflict.

The Committee serves in an advisory capacity to Deuel Vocational Institution. The Committee's primary objective is to promote effective communication between the Institution and the community at large. Evelyn Tolbert, a former City Council Member, serves as the resident on the Committee.

Following a brief discussion Council decided to revisit the issue during the annual review of Council appointments in January 2015.

13. ADJOURNMENT – It was moved by Council Member Manne and seconded by Council Member Rickman to adjourn. Voice vote found all in favor; passed and so ordered. Time 1:19 a.m., September 3, 2014.

The above agenda was posted at the Tracy City Hall on August 28, 2014. The above are summary minutes. A recording is available at the office of the City Clerk.

Mayor

Interim City Clerk

October 7, 2014

AGENDA ITEM 1.B

REQUEST

THE REGULAR CITY COUNCIL MEETING SCHEDULED FOR TUESDAY, NOVEMBER 4, 2014, BE RESCHEDULED FOR WEDNESDAY, NOVEMBER 5, 2014, DUE TO THE GENERAL MUNICIPAL ELECTION

EXECUTIVE SUMMARY

Request date change of regular City Council meeting scheduled for November 4, 2014, to November 5, 2014.

DISCUSSION

The November 4, 2014, regularly scheduled City Council meeting falls on the same day as the City's General Municipal Election.

Given the importance of the election to all citizens of Tracy, staff suggests rescheduling the Council meeting for Wednesday, November 5, 2014.

STRATEGIC PLAN

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

FISCAL IMPACT

None.

RECOMMENDATION

That City Council approve, by resolution, rescheduling the regular City Council meeting from Tuesday, November 4, 2014, to Wednesday, November 5, 2014.

Prepared by: Carole Fleischmann, Interim City Clerk
Reviewed by: Maria Hurtado, Assistant City Manager
Approved by: Troy Brown, City Manager

RESOLUTION _____

APPROVING CITY COUNCIL MEETING DATE CHANGE FROM
TUESDAY, NOVEMBER 4, 2014, TO WEDNESDAY, NOVEMBER 5, 2014,
DUE TO THE GENERAL MUNICIPAL ELECTION

WHEREAS, The regular City Council meeting scheduled for Tuesday, November 4, 2014, coincides with the City's General Municipal Election for the same date, and

WHEREAS, The Tracy City Council encourages every Tracy citizen to vote on Tuesday, November 4, 2014.

NOW, THEREFORE, BE IT RESOLVED by the Tracy City Council that the regular City Council meeting scheduled for Tuesday, November 4, 2014, is hereby rescheduled to Wednesday, November 5, 2014.

* * * * *

The foregoing Resolution 2014-_____ was passed and adopted by the Tracy City Council on the 7th day of October, 2014, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

Mayor

ATTEST:

Interim City Clerk

AGENDA ITEM 1.C

REQUEST

ACCEPT TRAVEL REPORT FROM CITY MANAGER REGARDING ATTENDANCE AT LEAGUE OF CALIFORNIA CITIES (LOCC) ANNUAL CONFERENCE AND INTERNATIONAL CITY/COUNTY MANAGEMENT ASSOCIATION (ICMA) ANNUAL CONFERENCE

EXECUTIVE SUMMARY

This agenda item relates to a travel report from the City Manager.

DISCUSSION

League of California Cities Annual Conference

From September 3 – 5 I attended the League of California Cities Annual Conference and Exhibition. This year's event was held at the Los Angeles Convention Center in Downtown Los Angeles. Los Angeles Mayor Eric Garcetti welcomed attendees and delivered a powerful welcoming address that challenged both Elected and Appointed Officials to form strong partnerships with members of the State Legislature to help shape public policy.

Along with my fellow colleagues from the cities of Pismo Beach and Burlingame, I participated in a panel discussion on "Hiring the Next Generation of City Managers." The session highlighted key differences in attracting and working with managers of today, compared to City Managers of the Baby Boomer generation.

Participants learned about how Next Generation Managers are generally more educated, with most attaining Masters of Public Administration degrees. This educational component has equipped Next Generation Managers to be much more collaborative in the policy development process with Elected Officials and residents, rather than applying the command-and-control approach that was the predominant sentiment in our nation at the time Baby Boomers were raised. The session was very well attended (approximately 80 people) and a handful of people remained in the room to ask questions after the session had ended.

I attended a number of educational sessions including one which consisted of a panel of veteran City Managers discussing ways to maintain and enhance the professional relationship between Elected and Appointed Officials. This was a thoughtful discussion targeting both, which provided a number of tools for developing (and keeping) strong relationships between Council Members and City Managers. Some of the key points were:

- Treat each other fairly
- Over communicate!
- Talk frankly about problems and expectations
- If the relationship or communication begins to breakdown, spend MORE time together, not less

International City/County Management Association (ICMA) Annual Conference

From September 11 – 15 I attended the ICMA Board Meeting and Annual Conference in Charlotte, North Carolina. This was a particularly significant event for a number of reasons. First, this was the last Board Meeting for me as the West Coast Vice President on the ICMA Board. ICMA as an organization is divided into six regions (Northeast, Southeast, Midwest, Mountain Plains, West Coast and International) and each region elects three Vice Presidents to represent members within the region. Each Vice President serves a 3-year term and is eligible to become President after a one-year absence from the Board.

In my role as the Senior Vice President, I was Chair of ICMA's Committee on Professional Conduct. This committee investigates allegations of malfeasance against ICMA's Code of Ethics. While in Charlotte, the Committee recommended, and the Board approved, a public censure of one of our members for violating a part of the Code of Ethics that requires a two-year minimum tenure after accepting a position in an organization.

My service on the ICMA Board was an invaluable experience and I will encourage others to serve in leadership roles in their respective professional associations. Beyond being exposed to Best Practices in Local Government and having the opportunity to represent over 1,500 City/County managers in Alaska, Hawaii, Oregon, Washington, Nevada, and California, I worked with others on the Board to position ICMA to address some difficult issues facing professional managers in the coming years. We developed policies to enhance inclusiveness of our membership and ensure that training programs included the skills and abilities needed of managers in the future. I left the organization on solid financial footing for the future.

Another point of significance was that the Charlotte conference marked the 100-year anniversary of ICMA as an association. Years of planning went into celebrating this milestone with ICMA members and there were a number of events, presentations, awards and collectable items that were shared. I also received a Service Award which ICMA issues to those members who reach milestones for years of service to the profession. I was recognized for 20 years of public service.

I participated in a panel with colleagues from Texas and Maryland designed for Assistant City Managers on Leading without Ultimate Authority. More often than not in Local Government, Assistant City Managers do not have direct authority over the supervision of Department Heads and line staff. Our session demonstrated that leadership is rarely about title or position within an organization, but more about the ability to foster effective relationships among peers. The session was well attended and received very favorable evaluations from those who participated.

ICMA President Jim Bennett appointed me to a Task Force on Inclusiveness. The charge of the Task Force over the next 12–18 months is to develop strategies that ICMA can use to enhance diversity and inclusiveness of the membership and the Executive Board. I am chairing this Task Force with Tansy Hayward, Assistant City Manager in Raleigh, NC and we convened our first meeting in Charlotte. The Task Force is made up of 35 members consisting of City/County Managers, Assistant City/County Managers, students, Department Heads, and private sector members from various parts of the country.

The kickoff meeting lasted approximately two hours where Ms. Hayward and I helped frame the context for the dialogue that the Task Force is going to engage in during their work. There were months of planning that went into this effort that paid off via a very successful kickoff. The remainder of the meetings will be conducted virtually and it is our goal to have a final report to present to the ICMA Executive Board at the 101st Annual Conference next year in Seattle.

STRATEGIC PLAN

This agenda item is not related to City Council's Strategic Plans.

FISCAL IMPACT

The costs of travel and training were included in this year's budget.

RECOMMENDATION

That the Council accepts the Conference Travel Report.

Prepared and Approved by: Troy Brown, City Manager

AGENDA ITEM 1.D

REQUEST

APPROVE AN EXCLUSIVE NEGOTIATING RIGHTS AGREEMENT WITH KASSON MANTECA SOLAR, LLC, FOR A POTENTIAL LONG-TERM LEASE OF CITY-OWNED PROPERTIES LOCATED AT NEW JERUSALEM AIRPORT, AND AUTHORIZE THE MAYOR TO SIGN THE AGREEMENT

EXECUTIVE SUMMARY

The City owns approximately 395 acres of property located on East Durham Ferry Road, known as New Jerusalem Airport. Since 2001, the City has leased approximately 320 acres of the property for agricultural crop production. Kasson Manteca Solar, LLC, a California Limited Liability Company has approached the City and expressed its desire to lease the available property for the development of a solar project. Staff recommends that City Council approve an Exclusive Negotiating Rights Agreement with Kasson Manteca Solar, LLC, (the "Lessee") providing the parameters for good faith negotiations towards a potential long-term lease agreement.

DISCUSSION

The City owns approximately 395 acres of property located on East Durham Ferry Road, known as New Jerusalem Airport. Approximately 320 acres of the property has been leased since 2001 for agricultural crop production. The current lease agreement is set to expire on December 31, 2014. The City desires to continue with the leasing of the available acreage at New Jerusalem Airport as a source of revenue for the Airport Fund.

Kasson Manteca Solar, LLC expressed its desire to use the available land for the development of a solar project and is in the final stages of securing a Power Purchase Agreement with PG&E. Staff believes entering into an Exclusive Negotiation Rights Agreement with Kasson Manteca Solar, LLC will assist in exploring the potential for entering into a long-term lease of the subject property.

The attached Exclusive Negotiating Rights Agreement would provide parameters for a six month negotiating period. During that time, a Lease Agreement would be prepared for City Council consideration. The Agreement contains a provision for a four month extension period should the parties need additional time to complete negotiations.

STRATEGIC PLAN

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

FISCAL IMPACT

The City currently has a lease with J. Lombardi Farms which generated \$54,208 in FY 13/14 for the Airport Fund. The current lease expires December 31, 2014. Kasson Manteca Solar has requested an Exclusive Negotiating Rights Agreement with the City to negotiate the terms of a new lease. Upon execution of this Agreement, Kasson Manteca Solar will pay the City a consideration of \$10,000 to go towards costs for this Exclusive Negotiating Rights Agreement. This money will go to the Airport Fund.

RECOMMENDATION

Staff recommends that the City Council approve an Exclusive Negotiating Rights Agreement with Kasson Manteca Solar, LLC, and authorize the Mayor to sign the Agreement.

Prepared by: Ed Lovell, Management Analyst II

Reviewed by: David Ferguson, Public Works Director
Andrew Malik, Development Services Director
Maria A. Hurtado, Assistant City Manager

Approved by: Troy Brown, City Manager

ATTACHMENTS:

Attachment: A - Exclusive Negotiating Rights Agreement with Kasson Manteca Solar, LLC

EXCLUSIVE NEGOTIATING RIGHTS AGREEMENT
(APN 255-270-08)

This Exclusive Negotiating Rights Agreement (the "Agreement") is entered into as of October 7, 2014 by and between the City of Tracy (the "City"), a California Municipal Corporation, and Kasson Manteca Solar, LLC, a Delaware Limited Liability Company ("Kasson Manteca Solar") ("City" and "Kasson Manteca Solar" are individually herein referred to as "Party" and collectively, as "Parties"), with reference to the following facts:

Recitals

A. The City of Tracy (the "City") is the owner of real property located at 505 East Durham Ferry Road, known as New Jerusalem Airport (APN 255-270-08), by way of a grant deed from the United States Government, as indicated in Exhibit A (the "Site"); and

B. The site is approximately 395 acres, of which approximately 320 have been under lease for agricultural crop production since 2001, with the current lease agreement set to expire on December 31, 2014; and

C. The City desires to continue to lease the available acreage at the Site; and

D. Kasson Manteca Solar ("Kasson Manteca Solar") has proposed to lease the available acreage for the development of a solar energy project (the "Project"); and

E. The purpose of this Agreement is to establish procedures and standards for the negotiation by City and Kasson Manteca Solar of a Lease Agreement for the Site. As more fully set forth in Section 4.1, this Agreement in itself does not obligate City to convey the Site or any portion thereof to the Kasson Manteca Solar, nor does it grant the Kasson Manteca Solar the right to redevelop the Project.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties mutually agree as follows:

ARTICLE 1
EXCLUSIVE NEGOTIATING RIGHT

Section 1.1 Good Faith Negotiations. City and Kasson Manteca Solar shall negotiate diligently and in good faith, during the Negotiating Period described in Section

1.2, the terms of a Lease Agreement for the Site. During the Negotiating Period, the parties shall use good faith efforts to accomplish the respective tasks outlined in Article 3 to facilitate the negotiation of a mutually satisfactory Lease Agreement.

Among the issues to be addressed in the negotiations are the term of the Lease Agreement, price per acre during the term of the Lease Agreement, development schedule for the Project, compliance with the Federal Aviation Administration (FAA), all related permitting for development of the Project, financing of Project development, use of the Project, marketing and management of the Project, design and aesthetic considerations of the Project, and the provision of public improvements related to the Projects.

Section 1.2 Negotiating Period. The negotiating period under this Agreement (the "Negotiating Period") shall commence as of the date of this Agreement and terminate one hundred eighty calendar days from the date of this Agreement. The Negotiating Period may be extended on City's behalf for additional one hundred twenty day period(s) by written notice to Kasson Manteca Solar from City's Development Services Director, if in the City Development Services Director's judgment Kasson Manteca Solar has made sufficient progress in meeting the requirements of Section 3.2.

If a Lease Agreement has not been executed by City and Kasson Manteca Solar by the expiration of the Negotiating Period, then this Agreement shall terminate and neither Party shall have any further rights or obligations under this Agreement except as set forth in Section 4.5. If a Lease Agreement is executed by City and Kasson Manteca Solar, then upon such execution this Agreement shall terminate, and all rights and obligations of the Parties shall be as set forth in the executed Lease Agreement.

Section 1.3 Consideration. Upon execution of this Agreement, Kasson Manteca Solar shall pay to City, within thirty days, Ten Thousand Dollars as consideration for this Agreement. This amount shall be non-refundable.

Section 1.4 Exclusive Negotiations. Subject to Section 4.14, during the Negotiating Period, City shall not negotiate with any entity, other than Kasson Manteca Solar, regarding development of the Site or any portion thereof, or solicit or entertain bids or proposals to do so. This provision shall not preclude City from providing copies of documents or information related to the Site in response to a request under the California Public Records Act or other applicable statutory provisions.

ARTICLE 2 KASSON MANTECA SOLAR, LLC

Section 2.1 Identification of Kasson Manteca Solar Representatives. Kasson Manteca Solar, its address, and its authorized representatives to negotiate the Lease Agreement with City are as follows:

Kasson Manteca Solar, LLC
20 California Street, Suite 500
San Francisco, CA 94111

Representatives: Nick Benjamin, Solar Development Manager
Dave Azzam, Director of Solar Development

Section 2.2 Leasing Entity. Kasson Manteca Solar shall cooperate to make full disclosure to City of information reasonably pertinent to the ownership, control, and financial ability of the entity that is proposed to serve as the Lessee under the Lease Agreement.

ARTICLE 3 NEGOTIATION TASKS

Section 3.1 Overview. During the Negotiating Period, the parties shall use reasonable good faith efforts to accomplish the tasks set forth in this Article 3 and to accomplish the negotiation of a mutually acceptable Lease Agreement. To facilitate negotiation of the Lease Agreement, the parties shall use reasonable good faith efforts to accomplish the tasks set forth in this Article 3 in a timeframe that will support achievement of these goals.

Section 3.2 Letter of Intent. Kasson Manteca Solar intends to enter into a long term lease of the Site. During the Negotiating Period, Kasson Manteca Solar shall make good faith efforts to enter into a letter of intent for the long-term lease of the Site for the Project (the "Letter of Intent"). An executed Letter of Intent, with terms that are consistent with this Agreement shall be a condition precedent to City entering into any Lease Agreement with Kasson Manteca Solar.

Section 3.3 Reports. Kasson Manteca Solar shall provide the City with copies of all reports, studies, analyses, and similar documents, prepared or commissioned by Kasson Manteca Solar with respect to this Agreement, the Site and the Project, promptly upon their completion, provided, however, that Kasson Manteca Solar retains the right to withhold or redact studies, reports, or analyses which contain market-sensitive data which might, if released, damage the competitiveness or strategic position of Kasson Manteca Solar, or the release of which would cause a breach in a confidentiality obligation of Kasson Manteca Solar. The City shall provide the Kasson Manteca Solar with copies of all reports, studies, analyses, and similar documents prepared or commissioned by the City or within the City's possession or control with respect to this Agreement, the Site and the Project, promptly upon their completion; provided, however, that in no event shall the City be obligated to provide Kasson Manteca Solar with documentation or materials that are subject to attorney-client privilege or otherwise confidential. Kasson Manteca Solar acknowledges that the City will need sufficient, detailed information about the proposed Project to make informed decisions about the content and approval of the Lease Agreement. Nothing in this Section 3.3 obligates the City to undertake any studies or analyses.

Section 3.4 Planning Approvals. Kasson Manteca Solar acknowledges that the Project requires approvals and entitlements (the "Planning Approvals") from San Joaquin County (the "County"). To the extent applicable and necessary, Kasson Manteca Solar acknowledges that the Project also requires Planning Approvals from City. During the Negotiating Period, Kasson Manteca Solar may submit Site plans and designs for the Project and architectural designs for all buildings within the Project to the County and City and the appropriate County and City departments for their informal review. Kasson Manteca Solar understands that a formal application for the Planning Approvals would not occur until after the execution of a Lease Agreement, and that such application for and issuance of the Planning Approvals will be a condition under any Lease Agreement.

Section 3.5 Environmental Review. Kasson Manteca Solar shall prepare at its sole cost, and submit to the City and County such plans, specifications, drawings, and other information, as specified by the City, that are reasonably necessary to perform the environmental review process required by CEQA for the Project, and Kasson Manteca Solar shall prepare, at its sole cost, all environmental documentation required by CEQA. City shall assist and cooperate with Kasson Manteca Solar in Kasson Manteca Solar's compliance with this Section 3.5.

Section 3.6 Utilities. Kasson Manteca Solar shall consult with the utility companies serving the area of Site(s) to determine if existing utility facilities require expansion, relocation or underground installation in connection with development of the Project. The City shall assist and cooperate with Kasson Manteca Solar in such consultations.

Section 3.7 Lease Price for the Site. City and Kasson Manteca Solar shall seek to agree upon the lease price for the Site.

Section 3.8 Financial Ability. Prior to the execution of a Lease Agreement, Kasson Manteca Solar shall provide the City with proper documentation to indicate Kasson Manteca Solar's financial ability to complete the Project. City acknowledges that publicly available financial information regarding Kasson Manteca Solar's ultimate parent company is such proper documentation.

Section 3.9 Progress Reports. Upon reasonable notice, as from time to time requested by City, Kasson Manteca Solar shall make oral or written progress reports advising the City on studies being made and matters being evaluated by the Kasson Manteca Solar with respect to this Agreement and the Project. Notwithstanding anything expressly to the contrary, nothing in this Article 3 obligates Kasson Manteca Solar to perform any studies, tests, or analyses, or other actions of due diligence for or on behalf of the City.

ARTICLE 4
GENERAL PROVISIONS

Section 4.1 Limitation on Effect of Agreement. This Agreement (and any extension of the Negotiating Period) shall not obligate either City or Kasson Manteca Solar to enter into a Lease Agreement or to enter into any particular Lease Agreement. By execution of this Agreement, City is not committing itself to or agreeing to undertake disposition or exercise of control over any Site or any portion of the Site. By execution of this Agreement, City is not committing itself to or agreeing to finance any portion of the Site or Project. Execution of this Agreement by City is merely an agreement to conduct a period of negotiations in accordance with the terms hereof, reserving for subsequent City Council action the final discretion and approval regarding the execution of a Lease Agreement and all proceedings and decisions in connection therewith. Any Lease Agreement resulting from negotiations pursuant to this Agreement shall become effective only if and after such Lease Agreement has been considered and approved by the City Council of the City, following conduct of all legally required procedures, including without limitation, all required environmental review processes and all other applicable governmental approvals, and executed by duly authorized representatives of City and Kasson Manteca Solar. Until and unless a Lease Agreement is signed by Kasson Manteca Solar, approved by the City Council, no agreement drafts, actions, deliverables or communications arising from the performance of this Agreement shall impose any legally binding obligation on either party to enter into or support entering into a Lease Agreement or be used as evidence of any oral or implied agreement by either party to enter into any other legally binding document. As such, City retains absolute discretion before action on a Lease Agreement by the City Council (if required by law) to (i) subject to the agreement of the parties, make such modifications to the Lease Agreement and Project as may be necessary to mitigate significant environmental impacts or as may otherwise be necessary or appropriate, (ii) select other feasible alternatives to avoid significant environmental impacts, (iii) balance the benefits against any significant environmental impacts prior to taking final action if such significant impacts cannot otherwise be avoided or (iv) determine not to proceed with the Project.

Section 4.2 Notices. Formal notices, demands and communications between the City and the Kasson Manteca Solar shall be sufficiently given if, and shall not be deemed given unless, dispatched by certified mail, postage prepaid, return receipt requested, or sent by express delivery or overnight courier service, with signature required, to the office of the parties shown as follows, or such other address as the parties may designate in writing from time to time:

City: Development Services Department of the
City of Tracy
333 Civic Center Plaza
Tracy, CA 95376
Attn: Development Services Director

With a copy to: City Attorney
333 Civic Center Plaza
Tracy, CA 95376

Kasson Manteca Solar: Kasson Manteca Solar, LLC
20 California Street, Suite 500
San Francisco, CA 94111
Attn: Dave Azzam, Director of Solar Development

Such written notices, demands and communications shall be effective on the date shown on the delivery receipt as the date delivered or the date on which delivery was refused.

Section 4.3 Waiver of Lis Pendens. It is expressly understood and agreed by the parties that no lis pendens shall be filed against the Site(s), or any portion of the Site(s), with respect to this Agreement or any dispute or act arising from it.

Section 4.4 Costs and Expenses. Each party shall be responsible for its own costs and expenses in connection with any activities and negotiations undertaken in connection with this Agreement, and the performance of each party's obligations under this Agreement.

Section 4.5 No Commissions. City shall not be liable for any real estate commissions or brokerage fees that may arise from this Agreement or any Lease Agreement that may result from this Agreement. City represents that it has engaged no broker, agent or finder in connection with this transaction, and Kasson Manteca Solar shall defend and hold the City harmless from any claims by any broker, agent or finder retained by Kasson Manteca Solar.

Section 4.6 Default and Remedies.

(a) Default. Failure by either party to negotiate in good faith as provided in this Agreement shall constitute an event of default hereunder. The non-defaulting party shall give written notice of a default to the defaulting party, specifying the nature of the default and the required action to cure the default. If a default remains uncured thirty (30) days after receipt by the defaulting party of such notice, the non-defaulting party may exercise the remedies set forth in subsection (b).

(b) Remedies. In the event of an uncured default by the either Party, the sole remedy of the non-defaulting Party shall be to terminate this Agreement. Following such termination, neither party shall have any further right, remedy or obligation under this Agreement.

Except as expressly provided above, neither party shall have any liability to the other for damages or otherwise for any default, nor shall either party have any other claims with respect to performance under this Agreement. Each party specifically waives and releases any such rights or claims they may otherwise have at law or in equity.

Section 4.7 Assignment. Kasson Manteca Solar may not transfer or assign any or all of its rights or obligations hereunder except with the prior written consent of City, which consent shall be granted or withheld in City's sole discretion, and any such attempted transfer or assignment without the prior written consent of City shall be void. City hereby consents to Kasson Manteca Solar's assignment of this Agreement to a Delaware limited liability company that is wholly owned and controlled by Kasson Manteca Solar. City also consents to Kasson Manteca Solar's assignment of this Agreement to a Delaware limited liability company in which Kasson Manteca Solar wholly controls the limited liability company and is the managing member of such limited liability company; provided that any transfer of control to another member of such limited liability company must be approved in advance by the City. Any assignment of this Agreement shall not be valid unless the assignee expressly assumes Kasson Manteca Solar's rights and obligations under this Agreement pursuant to an assignment agreement approved in advance by City.

Section 4.8 No Third Party Beneficiaries. This Agreement is made and entered into solely for the benefit of City and Kasson Manteca Solar and no other person shall have any right of action under or by reason of this Agreement.

Section 4.9 Attorneys' Fees. The prevailing party in any action to enforce this Agreement shall be entitled to recover attorneys' fees and costs from the other party.

Section 4.10 Governing Law; Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California. Venue shall be in San Joaquin County, California.

Section 4.11 Entire Agreement. This Agreement constitutes the entire agreement of the parties regarding the subject matters of this Agreement.

Section 4.12 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same agreement.

Section 4.13 Authority to Execute: The undersigned represent and warrant they are each duly authorized to execute this Agreement on behalf of the respective party and to take the actions necessary to perform hereunder without the need to seek further

authorization from the entity each represents. WHEREFORE, the parties have executed this Agreement on or as of the date first above written.

CITY:

KASSON MANTECA SOLAR:

By: _____
Brent H. Ives
Mayor

Kasson Manteca Solar, LLC

By: 

David Azzam

Date: _____

Title: Director

Date: October 1, 2014

APPROVED AS TO FORM:

By: _____
Daniel G. Sodergren
City Attorney

RESOLUTION _____

APPROVING AN EXCLUSIVE NEGOTIATING RIGHTS AGREEMENT KASSON MANTECA SOLAR, LLC FOR POTENTIAL LONG-TERM LEASE OF CITY-OWNED PROPERTIES LOCATED AT NEW JERUSALEM AIRPORT, AND AUTHORIZING THE MAYOR TO SIGN THE AGREEMENT

WHEREAS, The City of Tracy (the "City"), owns approximately 395 acres of property located on East Durham Ferry Road, known as New Jerusalem Airport (the "Site") further described as APN 255-270-08 (the "Site"), and

WHEREAS, Approximately 320 acres of the Site has been under lease for agricultural crop production since 2001, and

WHEREAS, The current lease agreement on the Site will end on December 31, 2014, and

WHEREAS, The City desires to continue leasing the available acreage as a source of revenue for the Airport Fund, and

WHEREAS, Kasson Manteca Solar, LLC has approached the City and indicated a desire to lease the Site for a solar project, and

WHEREAS, The City and Kasson Manteca Solar, LLC desire to enter into an Exclusive Negotiating Rights Agreement to negotiate terms of a potential long-term lease agreement;

NOW, THEREFORE, BE IT RESOLVED, That City Council hereby approves an Exclusive Negotiating Rights Agreement with Kasson Manteca Solar, LLC and authorizes the Mayor to sign the agreement.

* * * * *

The foregoing Resolution _____ was adopted by the Tracy City Council on the 7th day of October, 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

APPROVE A MEMORANDUM OF UNDERSTANDING (MOU) WITH THE TRACY CITY CENTER ASSOCIATION FOR PURCHASE AND RESALE OF ALCOHOL AND OTHER FOOD AND BEVERAGES ON AUTHORIZED CITY STREETS DURING CITY AUTHORIZED EVENTS AND AUTHORIZE THE MAYOR TO EXECUTE THE MOU

EXECUTIVE SUMMARY

Per Bureau of Alcohol and Beverage Control (ABC) Regulations, City entities cannot be issued an ABC License. In an effort to raise additional funds and remove the City of Tracy from the practice of purchasing and selling alcohol, staff is recommending a Memorandum of Understanding (MOU) with the Tracy City Center Association (TCCA) to allow TCCA to purchase and sell alcohol at co-presented or City sponsored events held within the TCCA district boundaries.

DISCUSSION

Per ABC Regulations, City entities cannot be issued an ABC License. Staff is recommending City Council consider approving an Memorandum of Understanding (MOU) with TCCA to allow it to purchase and sell all of the beverages both alcohol and non-alcohol and food items at co-presented or City sponsored events held within the TCCA district boundaries, provide the staff needed to operate the concessions and split the net-profit with the City by June 1st of each fiscal year. TCCA will keep all financial records associated with the concession sales and provide City staff with a quarterly report listing expenditures and revenues associated with the events.

STRATEGIC PLAN

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

FISCAL IMPACT

Approval of this MOU will minimally impact the General Fund. Prior year revenue from alcohol sales is estimated to be \$7,300; however, due to the proposed revenue split, the City's share going forward would be approximately \$3,650.

RECOMMENDATION

That City Council, by resolution, approve the MOU with the Tracy City Center Association for purchase and resale of alcohol and other food and beverages on authorized City streets during City authorized events and authorize the Mayor to execute the MOU.

Agenda Item 1.E
October 7, 2014
Page 2

Prepared by: Brian MacDonald, Management Analyst II

Reviewed by: David Ferguson, Public Works Director
Maria A. Hurtado, Assistant City Manager

Approved by: Troy Brown, City Manager

ATTACHMENTS

Attachment: A – Memorandum of Understanding Between the City of Tracy and the Tracy City Center Association

Exhibit: A – Tracy CBD – Expanded Boundaries District Renewal

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF TRACY AND
THE TRACY CITY CENTER ASSOCIATION**

- I. **PARTIES:** This Memorandum of Understanding (hereinafter "MOU") is made by and between the City of Tracy ("CITY"), a municipal corporation, and the Tracy City Center Association ("TCCA"), a non-profit public benefit California Corporation.
- II. **RECITALS:** TCCA is a non-profit organization that represents businesses in downtown Tracy by promoting the downtown identity and providing business attractions and activities.

The City Council recognizes TCCA as assisting the CITY in providing services and support to downtown business.

- III. **RESPONSIBILITIES:** It is agreed by and between the parties hereto that each party shall have the following responsibilities:

A. CITY shall provide:

1. Exclusive rights for TCCA to purchase and sell all of the alcoholic beverages associated with any co-presented or CITY sponsored events held within the area described in EXHIBIT A to this Agreement, attached hereto and made a part hereof.

B. TCCA shall:

1. Purchase and sell all of the alcoholic beverages associated with any co-presented or CITY sponsored events held within the area described in EXHIBIT A.
2. Provide all necessary staff to operate such purchase and sales.
3. Comply with all applicable regulations and obtain all necessary sale and resale permits for such sales.
4. Pay CITY fifty percent of all of the revenue, less expenses incurred from purchase and sale, from such sales by June 1st of each year (commencing on the first June 1 to occur after execution of this agreement and then for each twelve month period thereafter).
5. Keep all financial records associated with such sales and provide CITY with a quarterly report that lists expenditures and revenues associated with the sales.
6. Complete all ABC License requirements with any co-presented or CITY sponsored event held within the area described in EXHIBIT A.
7. Carry insurance coverage and provide proof such insurance with endorsements evidencing the following:
 - a. Policy shall name City of Tracy, its officers, agents and employees as "additional insured" in relation to the activities performed in/on CITY property.

- b. General liability insurance, including personal injury, in the amount of One Million Dollars (\$1,000,000.00) combined single limit per occurrence, including bodily injury, personal injury and property damage.
- 7. Provide insurance coverage, naming the CITY as “additionally insured”, for all special events and facility rentals in accordance with CITY agreements

C. Indemnity, Defense and Hold Harmless Agreement:

TCCA shall indemnify, defend, and hold harmless the CITY (including its elected 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 the performance of this MOU by TCCA or TCCA’s agents, representatives, contractors, subcontractors, or employees. CITY shall indemnify, defend, and hold harmless TCCA (including its elected 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 the performance of this MOU by CITY’s agents, representatives, contractors, subcontractors, or employees.

- IV. **TERM:** This MOU shall take effect on October 7, 2014, for a term of five years and can be renewed annually, thereafter, if one or both parties request renewal not less than ninety days prior to the annual renewal date and both parties agree to renew. Either party may terminate this MOU by providing prior written notice to the other party of intention to terminate not less than ninety days prior to actual termination. Authority to execute this MOU must be approved by the City Council and TCCA Board of Directors provided, however, that the City’s City Manager may execute amendments deemed reasonably necessary for administrative efficiency and amendments exercising the annual renewal option.
- V. **DESIGNATED REPRESENTATIVES:** For the purposes of administering the MOU, the President of the TCCA and the Public Works Director for the City of Tracy shall act as representatives for their respective organizations.
- VI. **REGULATIONS:** This MOU shall be subject to any and all policies, regulations and ordinances of the City of Tracy.
- VII. **NOTICES:**

City of Tracy
Public Works Director
333 Civic Center Plaza
Tracy, CA 95376

With a copy to:
City Attorney
333 Civic Center Plaza
Tracy, CA 95376

Tracy City Center Association
Attn: Dino Margaros, Association President
1025 Central Avenue
Tracy, CA 95376

VIII. **ENTIRE AGREEMENT:** This MOU constitutes the entire agreement between the CITY and TCCA. Any amendment to this MOU is only effective if reduced to a writing signed by both the CITY and TCCA.

IX. **SIGNATURES:** The individuals executing this MOU represent and warrant that they have the right, power, legal capacity, and authority to enter into and to execute this MOU on behalf of the respective legal entities of TCCA and the CITY. This MOU shall inure to the benefit of and be binding upon the parties thereto and their respective successors and assigns.

CITY OF TRACY

Brent H. Ives
Mayor

Date: _____

TRACY CITY CENTER ASSOCIATION

Dino Margaros
Association President

Date: _____

ATTEST:

Interim City Clerk

Date: _____

APPROVED AS TO FORM:

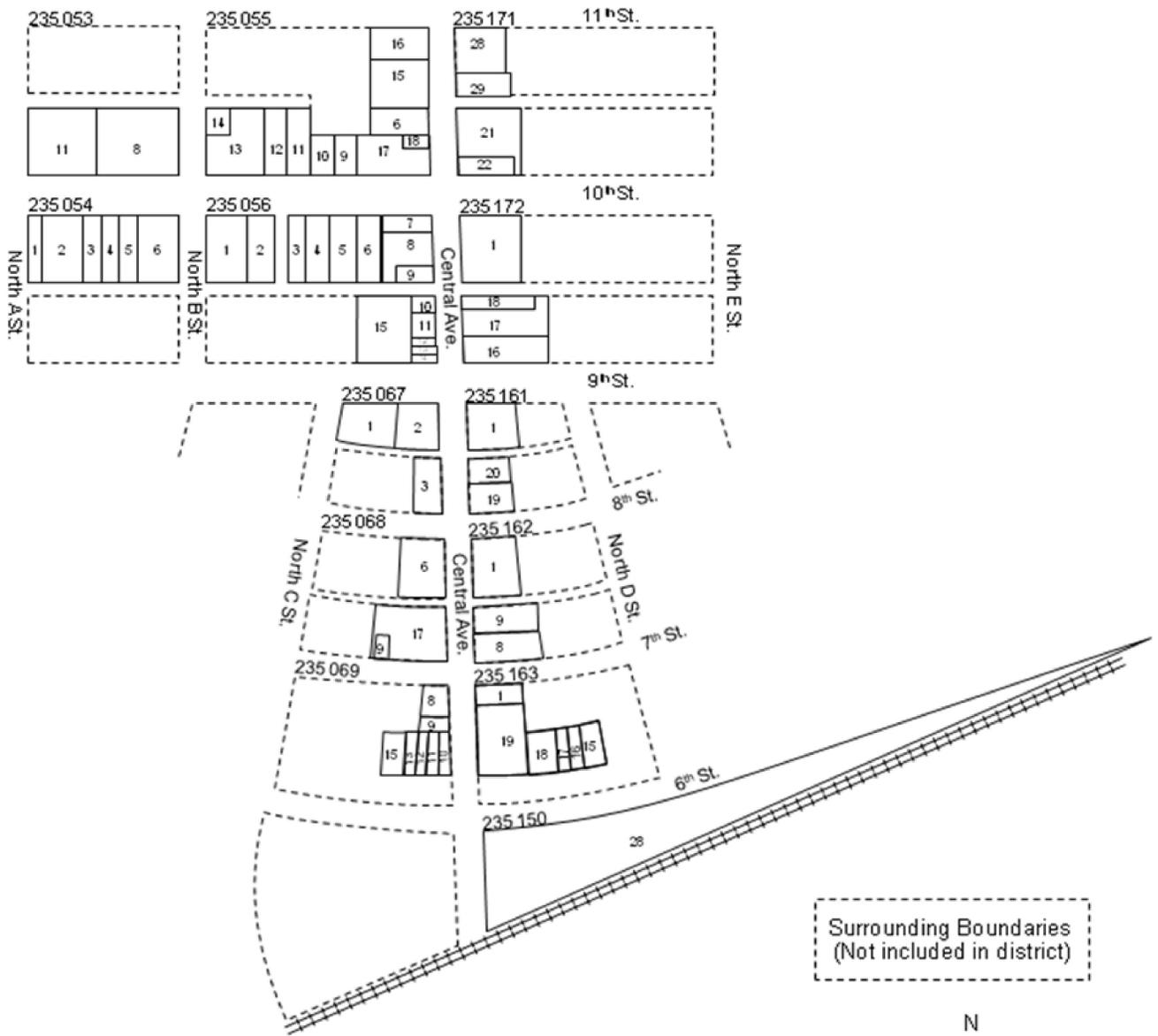
City Attorney

Date: _____

EXHIBIT A

DOWNTOWN TRACY CBD

Expanded Boundaries
District Renewal 2015



RESOLUTION _____

APPROVING A MEMORANDUM OF UNDERSTANDING (MOU) WITH THE TRACY CITY CENTER ASSOCIATION FOR PURCHASE AND RESALE OF ALCOHOL AND OTHER FOOD AND BEVERAGES ON AUTHORIZED CITY STREETS DURING CITY AUTHORIZED EVENTS AND AUTHORIZING THE MAYOR TO EXECUTE THE MOU

WHEREAS, In the past, the City of Tracy has been the entity who secures each License from the San Joaquin County Alcohol Beverage Control (ABC) for all of the City downtown events, and

WHEREAS, Per ABC Regulations, City entities cannot be issued an ABC License, and

WHEREAS, Staff recommended entering into a Memorandum of Understanding (MOU) with the Tracy City Center Association (TCCA) to allow them to purchase and sell all of the beverages both alcohol and non-alcohol and food items at co-presented or City sponsored events held within the TCCA district boundaries, and

WHEREAS, TCCA will provide the staff needed to operate the concessions and split the net-profit with the City by June 1 of each fiscal year. TCCA will keep all financial records associated with the concession sales and provide City staff with a quarterly report listing expenditures and revenues associated with the events;

NOW, THEREFORE, BE IT RESOLVED, That City Council approves an MOU with the Tracy City Center Association for purchase and resale of alcohol and other food and beverages on authorized City streets during City authorized events and authorizes the Mayor to execute the MOU.

* * * * *

The foregoing Resolution _____ was adopted by Tracy City Council on the 7th day of October, 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

AUTHORIZATION TO ENTER INTO AN AGREEMENT WITH THE COUNTY OF SAN JOAQUIN FOR THE MAINTENANCE OF ROADWAY IMPROVEMENTS AND LANDSCAPING RELATED TO THE NEW INTERCHANGE AT I-205 AND ELEVENTH STREET

EXECUTIVE SUMMARY

The City has been working on the planning, environmental document and design of the I-205/Eleventh Street Interchange (previously known as I-205/Lammers Road Interchange) for the last several years. The City was successful in receiving federal grants and appropriations to bring the project to its present status. The Project Study Report, Environmental document and preliminary design is already complete and approved by Caltrans and the Federal Highway Authority. The City entered into a Professional Services Agreement with Rajappan & Meyer Consulting Engineers last year to complete the project design. Once the project design is complete, it will be submitted to Caltrans for review and approval. Since the project is presently located within San Joaquin County, Caltrans requires the City to enter into a maintenance agreement with the County prior to the start of their design review process; thus necessitating the need for this agreement.

DISCUSSION

The City of Tracy plans to construct a new interchange at I-205 and Eleventh Street. This project was previously named Lammers/I-205 Interchange. The Project Study Report, Environmental document and preliminary design is already complete and has been approved by Caltrans. The City is working on the project design and preparation of the improvement plans. The location of said interchange falls on the State Highway and within the jurisdictional boundary of the County of San Joaquin. Caltrans has requested that the City enter into maintenance agreements with the County prior to them starting the design review process.

The project development work listed above was completed with Federal funds and funding received from developers. After completion and approval of the design by Caltrans, the next phase of the project will be the acquisition of right of ways. Funding for the next phase of the project will either be coming from State and Federal grants or development impact fees from new development.

The attached County agreement is a standard agreement which the County signs with other municipalities and local agencies.

STRATEGIC PLAN

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

FISCAL IMPACT

Development of the project has been funded from Federal grants and appropriations. Additional grants or funding from development impact fees will be required to start the next phase of this project. Approval of this agreement will have an impact on the General Fund when construction of this project is complete. The exact amount will be determined after completion of design and improvement plans.

RECOMMENDATION

That City Council, by resolution, authorize the Mayor to enter into a new Maintenance Agreement for roadway improvements and landscaping with San Joaquin County related to Interstate Route 205/Eleventh Street Interchange.

Prepared by: Zabih Zaca, Senior Civil Engineer

Reviewed by: Kul Sharma, Utilities Director
Andrew Malik, Development Services Director
Maria A. Hurtado, Assistant City Manager

Approved by: Troy Brown, City Manager

ATTACHMENTS

Attachment A – Freeway Agreement

CITY – COUNTY AGREEMENT FOR THE MAINTENANCE OF ROADWAY IMPROVEMENTS
AND LANDSCAPING ON THE INTERSTATE ROUTE 205/ELEVENTH STREET INTERCHANGE

CITY OF TRACY AGREEMENT _____

COUNTY OF SAN JOAQUIN AGREEMENT A-14-_____

THIS AGREEMENT is made effective this _____ day of _____, 2014 by and between the City of Tracy, a Municipal Corporation, hereinafter designated as "CITY", and the County of San Joaquin, a political subdivision of the State of California, hereinafter designated as "COUNTY".

WITNESSETH:

WHEREAS, the Interstate Route 205/Eleventh Street Interchange is located within the jurisdictional boundary of COUNTY, near the jurisdictional boundary of CITY, and

WHEREAS, CITY desires to construct a new interchange along Interstate Route 205/Eleventh Street, including roadway improvements and landscaping, and

WHEREAS, the State of California requires a Freeway Maintenance Agreement and Shared Electrical Agreement with the government(s) of jurisdiction(s) of said improvements, and

WHEREAS, COUNTY is the government of jurisdiction for that portion of said improvements as shown on the "Freeway Maintenance Agreement with County of San Joaquin", attached hereto.

NOW, THEREFORE, it is mutually agreed by and between CITY and COUNTY as follows:

1. For the purposes of this Agreement, CITY shall act as the lead agency and fiscal agent for COUNTY.
2. COUNTY shall enter into the Freeway Maintenance Agreement and Shared Electrical Agreement with the State of California for the Interstate Route 205/Eleventh Street Interchange.
3. CITY shall perform all duties and responsibilities of COUNTY for each of the affected, relocated, constructed or reconstructed COUNTY streets and roads within the

boundary of said Interchange as shown on the plan map attached to and marked Exhibit A for the Interstate Route 205/Eleventh Street Interchange and made a part thereof by reference of the "Freeway Maintenance Agreement with County of San Joaquin" attached hereto.

4. CITY shall perform all duties and responsibilities of COUNTY for each new COUNTY signal and lighting system for the Interstate Route 205/Eleventh Street Interchange as referenced in the Shared Electrical Agreement.
5. CITY is responsible for and shall make all payments necessary for the execution of said duties and responsibilities stated in Numbers 2 through 4 above as there are no shared costs in the performance of said duties and responsibilities.
6. Neither COUNTY nor any officer or employee thereof is responsible for any injury, damage or liability occurring by reason of anything done or omitted to be done by CITY, under or in connection with any work, authority or jurisdiction conferred upon CITY arising under this Agreement. It is understood and agreed that CITY shall fully defend, indemnify, and hold harmless COUNTY and all of their officers and employees from all claims, suits or actions of every name, kind, and description brought forth under, including but not limited to, tortious, contractual, inverse condemnation and other theories or assertions of liability occurring by reason of anything done or omitted to be done by CITY under this Agreement.
7. CITY and COUNTY mutually agree that this Agreement shall be null and void upon CITY annexation of all roads and streets as shown on the plan map attached to and marked Exhibit A for the Interstate Route 205/Eleventh Street Interchange and made a part thereof by reference of the "Freeway Maintenance Agreement with County of San Joaquin" attached hereto.

Execution of this Agreement has been authorized by Resolution _____, duly passed by the City Council of the City of Tracy on _____, 2014; and by Resolution R-14-_____, duly passed by the Board of Supervisors of the County of San Joaquin on _____, 2014.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first above written.

CITY OF TRACY

COUNTY OF SAN JOAQUIN,
Political subdivision of the
State of California

BRENT H. IVES
Mayor

ROBERT V. ELLIOTT
Chairman, Board of Supervisors

ATTEST:

ATTEST:

CAROLE FLEISHMANN,
Interim City Clerk

MIMI DUZENSKI, Clerk of
the Board of Supervisors

RECOMMENDED FOR APPROVAL:

RECOMMENDED FOR APPROVAL:

ANDREW MALIK,
Director of Development
Services

THOMAS M. GAU,
Director of Public Works

APPROVED AS TO FORM:

APPROVED AS TO FORM:

DAN SODERGREN,
City Attorney

LAWRENCE P. MEYERS,
Deputy County Counsel

RESOLUTION 2014 - _____

AUTHORIZING ENTERING INTO AN AGREEMENT WITH THE COUNTY OF SAN JOAQUIN FOR THE MAINTENANCE OF ROADWAY IMPROVEMENTS AND LANDSCAPING RELATED TO THE NEW INTERCHANGE AT I-205 AND ELEVENTH STREET

WHEREAS, The City desires to construct a new interchange along State Route I-205 east of Lammers Road and West of Grant Line Road, and

WHEREAS, Proposed location of said interchange is outside of the City limit and falls on the State Highway and within the jurisdictional boundary of the San Joaquin County, and

WHEREAS, On September 2, 2014, City Council authorized City staff to enter into a Freeway Maintenance Agreement with the State of California (Caltrans), and

WHEREAS, The location of proposed interchange is outside of the current City limit, and as a result, a new maintenance agreement needs to be executed between the City and County of San Joaquin for the maintenance of roadway improvements and landscaping, and

WHEREAS, The County of San Joaquin may initiate new agreements in the near future as the City annexes areas and its boundary limits changes, and

NOW, THEREFORE, BE IT RESOLVED, That City Council, authorizes the Mayor to enter into an Agreement with the County of San Joaquin for the maintenance of roadway improvements and landscaping related to the new interchange at I-205 and Eleventh Street.

* * * * *

The foregoing Resolution 2014-_____ was adopted by the Tracy City Council on the 7th day of October 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

APPROVE THE REALLOCATION OF \$100,535 IN UNSPENT FISCAL YEAR (FY) 2013-2014 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS TO TWO FY2014-2015 CDBG APPROVED PROJECTS

EXECUTIVE SUMMARY

Consider and approve the reallocation of \$100,535 in unspent FY 2013-2014 Community Development Block Grant (CDBG) funds to two FY2014-2015 CDBG approved projects.

DISCUSSION

Community Development Block Grant (CDBG) funds are allocated to cities and counties by the United States Department of Housing and Urban Development (HUD) for use in projects, programs, and services that demonstrate a benefit to low and moderate income persons by providing “decent housing, a suitable living environment, and for expanding economic opportunities.”

During the FY2013-2014 CDBG funding cycle, the City of Tracy submitted an application requesting \$238,875 for ADA sidewalk improvements in the Downtown area (CIP 73139). After committee discussion, the CDBG subcommittee of the Parks and Community Services Commission reduced the award amount by \$138,340 and allocated \$100,535 to this project.

Historically, the City has used CDBG funds allocated for Public Facilities on sidewalk and roadway ADA improvements in the designated CDBG Downtown area and for ADA accessibility improvements to Public Buildings. Based upon needs, a majority of the CDBG funding allocated under this category during the past several years was used for sidewalk and roadway ADA improvements in the Downtown area. Since the City has prioritized sidewalk and street ADA improvements during the past years, ADA accessibility improvements to Public buildings were delayed and scheduled once significant improvements to the sidewalk and roadway ADA improvements in the Downtown area are complete. Since the City has a robust program for sidewalk and roadway ADA improvements and significant improvements have been made in this area, staff is proposing that this year’s available CDBG funding be used for the ADA accessibility to Public buildings and the Downtown Façade Improvement Program.

CDBG funding is distributed through two categories; Public Services and Public Facilities / Economic Development. The Department of Housing and Urban Development (HUD) regulations limit funding in the Public Services category to 15% of the City’s annual CDBG allocation. Since the ADA Sidewalk Improvement project was awarded funding in the Public Facilities/Economic Development category, reallocation of these funds can only be apportioned to other Public Facility/Economic Development projects.

There are only two projects approved in FY2014-2015 that did not receive their full funding request and that qualify to receive reallocated Public Facility/Economic Development funds; the City of Tracy's ADA Door Modification Project and the City of Tracy's Façade Improvement Grant Program.

Staff recommends that Council reallocate the \$100,535 in unspent ADA Sidewalk Improvement project funds as shown below:

- ADA Door Modification Project - \$45,535. Added to the previously allocated amount of \$183,079, the total funding for this project becomes \$228,614.
- Façade Improvement Grant Program - \$55,000. Added to the previously allocated amount of \$35,959, the total funding for this project becomes \$90,959.

STRATEGIC PLAN

This agenda item supports the City Council's Strategic Plans for Economic Development and Livability through implementation of the local priorities for CDBG funds, which include the following: (1) economic development/job creation, (2) emergency food and shelter, (3) domestic violence services, and (4) senior/adult services.

FISCAL IMPACT

There is no impact to the General Fund. This action reallocates FY 2013/14 unspent CIP CDBG grants in the amount of \$100,353 to approved FY 2014/15 CDBG projects.

RECOMMENDATION

That City Council, by resolution, approve the reallocation of \$100,535 in unspent FY2013-2014 CDBG Funds to two FY2014-2015 CDBG approved projects.

Prepared by: Barbara Harb, Management Analyst

Reviewed by: Andrew Malik, Development Services Director
Maria A. Hurtado, Assistant City Manager

Approved by: Troy Brown, City Manager

RESOLUTION 2014- _____

APPROVING THE REALLOCATION OF \$100,535 IN UNSPENT FISCAL YEAR (FY) 2013-2014 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS TO TWO FY 2014-2015 CDBG APPROVED PROJECTS

WHEREAS, Community Development Block Grant (CDBG) funds are allocated to cities and counties by the United States Department of Housing and Urban Development (HUD) for use in projects, programs, and services that demonstrate a benefit to low and moderate income persons by providing “decent housing, a suitable living environment, and for expanding economic opportunities,” and

WHEREAS, During the FY 2013-2014 CDBG funding cycle the City of Tracy was allocated \$100,535 in Public Facility/Economic Development funds for the ADA Sidewalk Improvement Project, and

WHEREAS, Alternate funding sources were used to fund the ADA Sidewalk Improvement Project in full, leaving the CDBG funding unspent, and

WHEREAS, Per Department of Housing and Urban Development (HUD) regulations, reallocation of these funds can only be apportioned to other Public Facility/Economic Development projects, and

WHEREAS, There are only two projects approved in FY 2014-2015 that qualify to receive reallocated Public Facility/Economic Development funds;

NOW, THEREFORE, BE IT RESOLVED, That City Council approves the following reallocation of \$100,535 in unspent ADA Sidewalk Improvement Project funds:

ADA Door Modification Project	\$ 45,535
Façade Improvement Grant Program	<u>\$ 55,000</u>
Total	\$100,535

The foregoing Resolution 2014-_____ was adopted by the Tracy City Council on the 7th day of October 2014, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

MAYOR

ATTEST:

INTERIM CITY CLERK

AGENDA ITEM 1.H

REQUEST

APPROVE AMENDMENT FOUR TO THE PROFESSIONAL SERVICES AGREEMENT (PSA) WITH DRAKE HAGLAN AND ASSOCIATES OF SACRAMENTO, CALIFORNIA, FOR ADDITIONAL DESIGN SERVICES FOR THE ELEVENTH STREET – EAST TRACY OVERHEAD BRIDGE, NUMBER 29C-0126 – CIP 73063, FEDERAL PROJECT NUMBER BHLS-5192(020), AND AUTHORIZE THE CITY MANAGER TO EXECUTE THE AMENDMENT

EXECUTIVE SUMMARY

Replacement of the existing Eleventh Street Bridge over the Union Pacific Railroad lines, Number 29C-0126, is an approved Capital Improvement Project from Caltrans with a total replacement cost of \$46 million. Eighty eight percent of this cost is funded from State and Federal grants. The remaining cost is the City's responsibility. However, the City has also applied and received 7.5% of this amount from Measure 1B. The City is now only responsible for 4.5% share of their cost (approximately \$2.1 million). Caltrans, in previous years, has released a total of \$3.032 million toward the design and environmental services for this project and recently released \$338,000 for additional design services. Last week Caltrans issued an authorization to proceed (E76) to the City, approving initial funding of \$17 million toward construction of this project pending completion of their design comments. Approval of Amendment Four to the PSA with Drake Haglan and Associates will expedite completion of the project design and initiate the construction phase.

DISCUSSION

As part of the Federal "Moving Ahead for Progress in the 21st Century Act" (MAP -21) authorization, the Eleventh Street Bridge is included in the National Highway System (NHS) by the Federal Highway Administration (FHWA). In order to be eligible for grant funding, a project must be listed in the NHS. Replacement of the existing Eleventh Street East Tracy Overhead Bridge is an approved Capital Improvement Project with construction costs totaling \$46 million. Out of this amount, eighty eight percent is already funded from State and Federal grants. The remaining twelve percent is the City's responsibility. The City applied for and received 7.5% of its share from a Measure 1B grant. The City's net responsibility is only 4.5% of the project costs (approximately \$2.1 million).

The City entered into a Professional Services Agreement with Drake Haglan and Associates of Sacramento (Consultant), to complete the design and construction documents to replace the Eleventh Street Bridge. Most of the design work for the Eleventh Street Bridge is complete and the project is scheduled for start of construction in Federal fiscal year 2014 – 2015. Caltrans Structures Local Assistance Department has reviewed the final project design, construction documents, provided comments, and requested minor wall design changes including an independent review of the project construction documents.

Caltrans requires separate design for mechanical stability earthwork walls located on both sides of the bridge structure instead of using their standard details for construction. To incorporate Caltrans comments, additional services are needed from the design consultant to complete the project construction documents.

On August 15, 2014, at the City's request, the Consultant submitted a proposal to complete the required work not to exceed the amount of \$279,045. The City then submitted a request to Caltrans for their authorization of funding for this work. Caltrans approved the changes in the scope of services and released the requested dollar amount of \$338,000 to cover the Consultant fees and staff time. Therefore, it is necessary to amend the design Consultant's PSA to include additional services to complete this work.

STRATEGIC PLAN

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

FISCAL IMPACT

As part of the FY 2013/14 budget process, Council approved a CIP project for the Eleventh Street Bridge Replacement Project with total cost funded primarily through Federal and State grants. Part of this project involves design services which are being provided by Haglan and Associates. Council approved a Professional Services Agreement (PSA) for design services for \$2,789,184. This agreement was amended three times to include additional work as authorized by Caltrans for \$558,563.30. Since additional services are needed per CalTrans, the contract must be amended for an amount not to exceed \$279,045. The cost of the amendment will not impact the General Fund, and will be secured from Caltrans grant funding.

RECOMMENDATION

Staff recommends that City Council approve Amendment Four to the Professional Services Agreement with Drake Haglan and Associates of Sacramento, California, to provide additional services for the Eleventh Street – East Tracy Overhead Bridge – CIP 73063, Federal Project Number BHLS-5192(020) for an amount not to exceed \$279,045, and authorize the City Manager to execute the Amendment.

Prepared by: Zabih Zaca, Senior Civil Engineer

Reviewed by: Kul Sharma, Utility Director/Interim City Engineer
Andrew Malik, Development Services Director
Maria A. Hurtado, Assistant City Manager

Approved by: Troy Brown, City Manager

ATTACHMENTS

Attachment A - Amendment Four to Drake Haglan PSA

**CITY OF TRACY
AMENDMENT NO. 4 TO
PROFESSIONAL SERVICES AGREEMENT
FOR DESIGN PROFESSIONALS FOR
11TH STREET – EAST TRACY OVERHEAD BRIDGE#29C-0126
CIP 73063
FEDERAL PROJECT NO. BHLS-5192(020)**

This Amendment No. 4 (hereinafter "Amendment") to the Professional Services Agreement for project management, project study report, Environmental Analysis and preparation of design alternatives, for the 11th Street – East Tracy Overhead Bridge is made and entered into by and between the City of Tracy, a municipal corporation (hereinafter "City"), and Drake Haglan & Associates, Inc., a California Corporation (Hereinafter "Consultant").

RECITALS

- A. The City and Consultant entered into a Professional Services Agreement for project management, project study report, Environmental Analysis and preparation of design alternatives, for the 11th Street – East Tracy Overhead Bridge (hereinafter "Agreement"), CIP 73063 which was approved by the City Council on October 20, 2009, pursuant to Resolution No. 2009-184.
- B. On May 10, 2011, pursuant to Resolution No. 2009-184, the Development and Engineering Services Director executed Amendment No. 1 to Agreement to provide additional services.
- C. On November 20, 2012, pursuant to Resolution No. 2012-231, the Development Services Director executed Amendment No. 2 to the Agreement to provide additional services.
- D. On December 3, 2013, pursuant to Resolution No. 2013-185, the City Manager executed Amendment 3 to the Agreement to provide additional services.
- E. At the request of the City and in compliance with the terms of the Agreement, on August 15, 2014, Consultant submitted a proposal to perform the additional services as described in this Amendment 4 to the referenced Professional Service Agreement. In October 2014, after negotiations between City and Consultant, the parties have reached an agreement for the performance of the additional services in accordance with the terms set forth in this Amendment.
- F. On October 7, 2014, pursuant to Resolution No. 2014-____, the City Manager has authorization to execute this Amendment.

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, 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.

The following language shall be added as sub-item 2.5 to Paragraph 2 of the Agreement.

Consultant shall perform the tasks described in Exhibit "A" attached hereto and incorporated herein by reference.

The services shall be performed by, or under the direct supervision of, Consultant's Authorized Representative: **Dennis M. Haglan**. Consultant shall not replace its Authorized Representative, nor shall Consultant replace any of the personnel listed in Exhibit "A," of the Agreement, nor shall Consultant use any subcontractors or subConsultants, without the prior written consent of the City.

The following language shall be added to Section 5.1 of paragraph 5 of the Agreement.

In addition, for services performed by Consultant in accordance with Amendment No. 4, City shall pay Consultant on a time and expense basis, at the billing rates set forth in Exhibit "B," of the Agreement incorporated herein by reference. Consultant's fee for this Amendment No. 4 is Not to Exceed TWO HUNDRED SEVENTY NINE THOUSAND, FORTY FIVE DOLLARS AND EIGHTEEN CENTS (\$279,045.18). Consultant's billing rates shall cover all costs and expenses of every kind and nature for Consultant's performance of this Amendment No. 4 to the Agreement as outlined in Exhibit "A". No work shall be performed by Consultant in excess of the Not To Exceed amount without the prior written approval of the City. Compensation for the extra services to be done by the Consultant under this Amendment No. 4 shall be as described in Exhibit "A".

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.

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.

City of Tracy

Amendment No.4 to Professional Services Agreement for Project Management, Project study Report, Environmental Analysis and Design alternatives for 11th street – East Tracy Overhead Bridge, CIP 73063, Federal Project no. BHLS-5192(020)
Page 3 of 5

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 Subdivider 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

CONSULTANT

Drake Haglan and Associates, Inc.

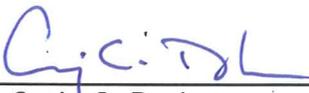
By: _____
Troy Brown
Title: City Manager
Date: _____

By:  _____
Dennis M. Haglan
Title: President
Date: 9-16-2014

Federal Tax ID 26-0747074

Attest:

By: _____
Carol Fleischmann
Title: Interim City Clerk
Date: _____

By:  _____
Craig C. Drake
Title: Chief Financial Officer
Date: 9/16/2014

Approved as to form

By: _____
Daniel G. Sodergren
Title: City Attorney
Date: _____

Exhibit A
Scope of Services

Task 13 Quality Control **\$11,217.29**

- The existing scope is modified to include the additional quality control review time required as a result of the design modifications requested by Caltrans Structures Local Assistance.

Task 15 Project Management **\$10,893.53**

- The existing scope is modified to include the preparation of additional federal funding exhibits and attachments that result from the increased project costs (design and construction) involved in making the changes requested by Caltrans. It also includes the additional coordination required with the design team to ensure that all aspects of the modifications are made in the construction documents.

Task 16 Plans, Specifications, and Estimate

Subtask 16.1 Roadway Design **\$41,682.77**

- The existing scope is modified to include the additional design and drafting required to accommodate the modifications needed to obtain concurrence from Caltrans.

Subtask 16.5 Bridge Design **\$110,797.47**

- The existing scope is modified to include the additional design and drafting required to accommodate the modifications needed to obtain concurrence from Caltrans. In particular a substantial amount of work is needed to revise the abutment configuration and MSE wall layout and design strategy.

Subtask 16.6 Right of Way Services **\$7,370.00**

- This task covers additional right of way services that Interwest has provided that are beyond the current scope of work involving negotiations and escrow support. Additional inquiries and calls with Jack Alvarez and his family members were made during the settlement stages of negotiations.

Subtask 16.7 Specifications **\$10,317.23**

- This task includes additional time that will be required to modify the project specifications as a result of the Caltrans review and comments. In particular, Caltrans has requested that DHA work with the temporary bridge manufacturers to prepare language for the temporary prefabricated steel truss bridge specifications that meet the draft criteria that Caltrans has developed. Caltrans has requested that DHA send the proposed specification language to Caltrans for their review and approval.

City of Tracy

Amendment No.4 to Professional Services Agreement for Project Management, Project study Report, Environmental Analysis and Design alternatives for 11th street – East Tracy Overhead Bridge, CIP 73063, Federal Project no. BHLS-5192(020)

Page 5 of 5

Subtask 16.8 Design Check Review

\$69,940.20

- This task covers an independent review of the changes required by Caltrans. An engineer not involved in the design will review the design calculations and details of the proposed changes for not only completeness but also for constructability and clarity.

Task 18 Preconstruction Surveying and Staking

\$16,826.69

- Survey/Stake the PG&E and AT&T utility relocation work
 - DHA will provide survey/stake coordinates for the utility relocation work.
 - Schack will survey/stake the locations of the PG&E and AT&T utility relocations such that they are placed accurately per the project plans in addition to being placed at the correct depths to avoid conflicts with existing utilities and utilities that will be relocated by the Contractor during construction.
- Survey/Stake the south side boundaries of the TCE's for the Alvarez and MAGJJ Properties
 - DHA will provide survey/stake coordinates for the south side boundaries of the Temporary Construction Easements (TCE's) for the Alvarez and MAGJJ properties.

Schack will survey/stake the south side boundaries of the TCE's for the Alvarez and MAGJJ properties.

Total of Tasks 13 through 18 = \$279,045.18

RESOLUTION 2014- _____

APPROVING AMENDMENT 4 TO THE PROFESSIONAL SERVICES AGREEMENT (PSA) WITH DRAKE HAGLAN AND ASSOCIATES OF SACRAMENTO, CALIFORNIA, FOR ADDITIONAL DESIGN SERVICES FOR THE ELEVENTH STREET – EAST TRACY OVERHEAD, BRIDGE #29C-0126 – CIP 73063, FEDERAL PROJECT NO. BHLS-5192(020), AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE AMENDMENT

WHEREAS, In 2008, CalTrans approved replacement of the existing Eleventh Street East Tracy Overhead Bridge #29C0126, and

WHEREAS, The City acquired the services of Drake Haglan and Associates in 2009, to complete project environmental document, design and PSE, and

WHEREAS, The scope of work of the consultant was increased through Amendment 1, 2, and 3, to include value analysis of the project along with various alternate alignments of the project required by CalTrans, including completion of detour design and utility relocation, and

WHEREAS, As part of the Federal Authorization MAP-21, Federal Highway Administration (FHWA) recently has issued new guidelines and added the Eleventh Street Bridge to the National Highway System (NHS), and

WHEREAS, As a result of the inclusion of the bridge to NHS, Caltrans Structures Local Assistance has reviewed the project construction documents and made comments to change current design to comply with the new guidelines, and

WHEREAS, To modify the current design, additional services including coordination with adjacent property owners and utility entities, are needed from the consultant to complete required services as mentioned above, and

WHEREAS, The consultant submitted a proposal to complete the required services for a not to exceed amount of \$279,054, on a time and material basis, and

WHEREAS, There is no impact to the General Fund. The cost of this amendment has been secured from the bridge replacement grant from Caltrans;

NOW, THEREFORE, BE IT RESOLVED, That City Council approves Amendment 4 to the Professional Services Agreement with Drake Haglan and Associates of Sacramento, California, to provide additional services for the Eleventh Street – East Tracy Overhead Bridge – CIP 73063, Federal Project # BHLS-5192(020) for a not to exceed amount of \$279,054, and authorizes the City Manager to execute amendment.

* * * * *

The foregoing Resolution 2014-____ was adopted by the Tracy City Council on the 7th day of October, 2014, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

MAYOR

ATTEST:

INTERIM CITY CLERK

AGENDA ITEM 1.1

REQUEST

APPROVE A MAINTENANCE AGREEMENT WITH R & M PAINTING, INC., DBA GOLD STAR OF TURLOCK, CA, FOR MAINTENANCE AND REPAIRS OF THE EXISTING CLARIFIER AT THE CITY'S JOHN JONES WATER TREATMENT PLANT AND AUTHORIZE AN APPROPRIATION OF \$172,000 FROM THE WATER ENTERPRISE FUND F513

EXECUTIVE SUMMARY

The City's John Jones Water Treatment Plant (JJWTP) has two clarifiers each with 15 million gallons per day (mgd) treatment capacity. If both of the clarifiers are functioning, the JJWTP can produce 30 mgd of treated water. The City presently treats surface water from the Delta Mendota Canal and combines it with the treated Stanislaus River water from the South San Joaquin Irrigation District (SSJID) to serve the existing demand. As a result, only one clarifier is used and the second clarifier has been non-functional for several years for needed maintenance and repairs.

This clarifier needs to be on-line for the JJWTP to treat water to its full capacity. This clarifier also needs to be available as a standby if the first clarifier is shut down for maintenance or repairs.

Due to the complexity of the maintenance and repair, this work cannot be completed by in-house staff and services of a contractor specialized in industrial painting are needed to complete the required work.

DISCUSSION

The City's JJWTP has treatment capacity for 30 mgd. The plant has two primary clarifiers each with a capacity of 15 mgd. However, only one clarifier has been operational for the last several years. The second clarifier has been shut down for maintenance and repairs. The shutdown of the second clarifier has not impacted the City's water supply needs since the City also uses treated water from SSJID and well water through its distribution network.

It is imperative that the second clarifier be maintained and repaired as soon as possible. The second clarifier will not only increase the treatment capacity to 30 mgd, but will also provide a standby facility in the event the first clarifier malfunctions or is shut down for repairs and maintenance. The maintenance work involves removing rust and painting the structural frame and rotating arms of the clarifier. Some of the steel members will need to be welded, replaced or repaired.

Recently the Regional Water Quality Control Board inspected the JJWTP and also required the City to expedite completion of the maintenance and repairs of the clarifier. Any further delay in completion of this work will initiate downgrading of the treatment plant to 15 mgd instead of the 30 mgd approved capacity. Due to its magnitude and

specialized nature, this work cannot be completed by City staff. The services of a contractor are needed to complete this work in a timely and cost effective manner.

Public Contract Code section 22032 allows completion of maintenance work by public agencies up to \$175,000 through a maintenance agreement using the informal proposal process. Staff solicited informal proposals from various contractors to complete this work under a maintenance agreement. Only two contractors showed interest and attended a mandatory site meeting to verify the scope.

Two proposals were received as follows:

<u>Contractor</u>	<u>Amount</u>
• R & M Painting, Inc. dba Gold Star Painting, Turlock, CA	\$142,000
• Effex Painting, Livermore, CA	\$178,512

Both of these proposals allocate \$20,000 for steel repairs and replacement on a time and material basis as required in the specifications. The exact amount will depend upon the extent of repairs measured on site. The City will supply the specialized paint material.

The proposal from R & M Painting, dba Gold Star from Turlock, California, is the lowest monetary proposal for \$142,000. The contractor has supplied the required insurances and signed the agreement. Since the City will supply the paint and other supporting materials, including temporary support to the waffles, a total amount of \$172,000 is requested for appropriation from the Water Enterprise Fund F513 to complete this project. This will provide \$30,000 for the purchase of paint and other supporting materials by the City. Any unused funding from this amount will be returned to the Water Fund.

STRATEGIC PLAN

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

FISCAL IMPACT

An appropriation of \$172,000 is needed from the Water Enterprise Fund F513 to cover the cost of this agreement, and materials to be provided by the City for completion of the work. After completion of the work, any unused funds will be returned to the Water Fund. There will be no impact to the City's General Fund resulting from approval of this proposed agreement.

RECOMMENDATION

The City Council by resolution, authorize a maintenance agreement with R & M Painting, dba Gold Star from Turlock, California, for maintenance and repairs of the existing clarifier at the City's John Jones Water Treatment Plant in the amount of \$142,000 and authorize an appropriation of \$172,000 from the Water Enterprise Fund F513.

ATTACHMENTS

Attachment A – Maintenance Agreement

Prepared by: Kuldeep Sharma, Utilities Director/Interim City Engineer

Reviewed by: Maria A. Hurtado, Assistant City Manager

Approved by: Troy Brown, City Manager

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A. MAINTENANCE AGREEMENT

B. SPECIFICATIONS

C. EXHIBITS

- #1 General Liability Endorsement
- #2 Automobile Liability Endorsement
- #3 Workers' Compensation Endorsement

AGREEMENT

This MAINTENANCE AGREEMENT (hereinafter "Agreement") is made and entered into by and between the CITY OF TRACY, a municipal corporation (hereinafter "City"), and R&M PAINTING, INC. dba GOLD STAR PAINTING of Turlock, CA (hereinafter "Contractor").

RECITALS

- A. In accordance with the applicable provisions of State law, including the Public Agreement Code, and local law, including the Tracy Municipal Code, the City issued an informal invitation for proposal for the work defined in the agreement.
- B. In response to the invitation the Contractor submitted the proposals, which are incorporated herein by reference, which were found by the City to be responsive to the invitation.
- C. After reviewing all proposals submitted in response to the invitation the City found the Contractor to have the Lowest Responsible Proposal, and the City Council awarded this Agreement to the Contractor pursuant to Resolution No. _____.
- D. The Project is more specifically described in the Agreement Documents, but generally includes the following items of work Removal of rust and existing paint and repainting on structural steel of the clarifier at the John Jones Water Treatment Plant. Work also includes repairs and replacement of steel structure.

NOW THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

- 1. **SCOPE OF WORK.** The Contractor shall perform, or cause to be performed, the Work described in the Agreement Documents (hereinafter "Work"), to the satisfaction of the City Representative. Contractor shall perform additional work arising from changes ordered by the City in accordance with section 2.3 of this Agreement.
- 2. **AGREEMENT DOCUMENTS.**
 - 2.1. List of Agreement Documents. The Agreement Documents consist of this executed Agreement; all Proposal Documents including the Invitation for Proposals, Supplementary Instructions, Bid Forms; Notice of Award; Notice to Proceed; and Exhibits.
 - 2.2. Addenda. The following addenda are incorporated into the Agreement Documents:

No.	Date of Issue:
_____	_____

AGREEMENT

2.3. Agreement Modifications. The Agreement Documents may not be modified orally or in any manner other than in writing in accordance with the Agreement Documents

2.4. Precedence of Agreement Documents.

2.4.1. In the event of a conflict between component parts of the Agreement Documents, the document highest in precedence shall control. The precedence shall be:

2.4.1.1. Agreement.

2.4.1.2. All Agreement Documents and Addenda.

2.4.1.3. Specifications.

2.4.1.4. Notice of Award, Notice to Proceed, and Exhibits.

2.5. Entire Agreement. The Agreement Documents comprise the entire integrated understanding between the City and Contractor concerning the Work to be performed for this Project. All prior negotiations or stipulations regarding this matter which preceded or accompanied the executing of these Agreement Documents are conclusively deemed to be superseded by these Agreement Documents. The Agreement Documents are complementary; what is called for in one is binding as if called for by all. To the extent that portions of the Agreement Documents are not attached to this Agreement, they shall be deemed incorporated herein by reference.

3. AGREEMENT AMOUNT. City shall pay to Contractor, for the performance of the Work, the Agreement Amount pursuant to section 11, subject to adjustment for unit price items, and as modified pursuant to the terms of the Agreement Documents. The Contractor's compensation shall include all costs incurred by the Contractor in the performance of the Work, including: furnishing all labor (including supervision), materials, equipment, tools, transportation, and services necessary (including the costs of any and all applicable taxes, patent rights, royalties, licenses, and permits) to complete the Work (including costs to protect the Work, and all damages to the Work prior to acceptance of the Work by the City, unless otherwise specifically provided in the Agreement Documents). The Agreement Amount, which includes removal of rust and paint on lump sum basis and steel structure repair on time and material basis, is

\$ 141,000. Actual payment to Contractor will be based upon lump sum amount for removal of rust and paint and repaint of structural steel and based upon actual repairs of steel structure on time and material basis or listed in the proposal.

AGREEMENT

4. **AGREEMENT TIME.** Time of completion of the work will be in accordance with as listed in the specifications.
5. **LIQUIDATED DAMAGES.** Liquidated damages will be as listed in the specifications
6. **CONTRACTOR REPRESENTATIVE.** At all times during the progress of the Work, Contractor shall have a competent foreman or superintendent (hereinafter "Contractor Representative") on site with authority to act on behalf of the Contractor. The Contractor shall, at all times, keep the City Representative informed in writing of the name and telephone number of the Contractor Representative. The Contractor shall, at all times, keep the City Representative informed in writing of the names and telephone numbers of all subcontractors performing the Work.
7. **INSURANCE.** Concurrently with the execution of this Agreement by the Contractor, and prior to the commencement of any Work, the Contractor shall furnish evidence to the City that all of the following insurance requirements have been satisfied.
 - 7.1. General. The Contractor shall, throughout the duration of this Agreement, maintain insurance to cover Contractor, its agents, representatives, contractors, subcontractors, and employees in connection with the performance of services under this Agreement at the minimum levels set forth herein.
 - 7.2. 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 \$1,000,000 general aggregate and \$1,000,000 per occurrence for general liability, bodily injury, personal injury, and property damage.
 - 7.3. 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.
 - 7.4. Workers' Compensation coverage shall be maintained as required by the State of California.
 - 7.5. Endorsements. Contractor shall obtain endorsements to the commercial general liability, automobile liability, and workers' compensation policies in a form satisfactory to the City which is substantially the same as the forms set forth in the Exhibits.

AGREEMENT

- 7.6. Authorized Insurers. All insurance companies providing coverage to Contractor 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.
- 7.7. Insurance Certificate. Contractor shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance, in a form satisfactory to the City which is substantially the same as the form set forth in the Exhibits.
- 7.8 Contractor's Obligation. Maintenance of insurance by the Contractor as specified in this Agreement shall in no way be interpreted as relieving the Contractor of any responsibility whatsoever (including indemnity obligations under this Agreement), and the Contractor may carry, at its own expense, such additional insurance as it deems necessary.
8. **PERMITS, LICENSES, AND COMPLIANCE WITH LAW.** The Contractor shall obtain and maintain all necessary permits and licenses for the performance of the Work. Prior to the commencement of the Work, the Contractor shall obtain a City of Tracy Business License. The Contractor shall comply with all applicable legal requirements including all local, state, and federal laws, including City Regulations, whether or not said laws are expressly stated in this Agreement.
9. **ACCESS TO THE SITE.** In order to permit the City to inspect the Work, the Contractor shall, at all times, provide to the City proper and safe access to the Project site, and all portions of the Work, and to all shops wherein portions of the Work are in preparation.
10. **AUDIT BY THE CITY.** The City, and entities and agencies designated by the City, shall have access to and the right to audit all of Contractor's books, records, agreements, change orders, correspondence, instructions, drawings, receipts, vouchers, purchase orders, notes, daily logs, and memoranda relating to the Work. Contractor shall preserve all such records for a period of at least three years after final completion and shall provide copies of same at City's request.
11. **DEFAULT.**
- 11.1. The Contractor shall be in default of this Agreement if the City Representative determines that any one of the following conditions exist:
- 11.1.1. Contractor is insolvent, files for bankruptcy, makes a general assignment for the benefit of its creditors, or fails to pay its debts as they become due.

AGREEMENT

- 11.1.2. The Contractor fails to perform any portion of the Work within the timing requirements of the Agreement Documents.
 - 11.1.3. The Contractor abandons the Project site.
 - 11.1.4. The Contractor fails to perform one or more requirements of this Agreement.
 - 11.1.5. The Contractor fails to replace or repair any damage caused by Contractor or its agents, representatives, contractors, subcontractors, or employees in connection with performance of the Work.
 - 11.1.6. The Contractor violates any legal requirement related to the Work.
- 11.2. In the event that the Contractor fails to promptly commence, diligently and continuously prosecute, and cure the default within ten (10) days, or provide adequate written assurance to the satisfaction of the City Representative that the cure will be promptly commenced and diligently prosecuted to its completion, the City may, in the discretion of the City Representative, take any or all of the following actions:
- 11.2.1. Issue a Notice of Suspension of Work, by which the Contractor shall suspend all Work except for those portions of the Work authorized by the Notice, and for which the Contractor shall not be entitled to any adjustment of the Agreement Amount or Agreement Time.
 - 11.2.2. Cure the default and charge the Contractor for the costs therefor, including administrative costs and interest in an amount equal to seven percent (7 %) per annum from the date of default, which charge may be deducted by the City from amounts otherwise payable to the Contractor.
 - 11.2.3. Demand the Contractor to complete performance of the Work.
 - 11.2.4. Remove the Contractor from the site and demand the Contractor's surety (if any) to complete performance of the Work.
 - 11.2.5. Terminate the Agreement and take possession of the Project site and all materials, supplies, equipment, tools, and construction equipment and machinery thereon owned by Contractor; accept the assignment of any or all of the subagreements; and then complete the Work by any method the City may deem expedient. If requested by the City, Contractor shall remove any part or all of Contractor's materials, supplies, equipment, tools, and construction equipment and machinery from the Project site within seven (7) days of such request; and if Contractor fails to do so, the City may remove or store, and after ninety (90) days sell, any of the same at Contractor's expense.
- 11.4. In the event that the Agreement is terminated by the City in accordance with this section:

AGREEMENT

11.4.1. Contractor shall not be entitled to receive any further payment until the expiration of thirty-five (35) days after Final Completion and acceptance of all Work by the City

12. **ACCEPTANCE OF WORK.** Prior to acceptance of the Work by the City Council, the Contractor shall be solely responsible for maintaining the quality of the Work, and maintaining safety at the Project site. The Contractor's obligation to perform the Work shall not be satisfied until after the City Representative has made a written determination that all obligations of the Agreement have been satisfied and all outstanding fees and charges have been paid, and the City Council has accepted the Work as complete.
13. **WARRANTY OF QUALITY OF WORK.** Contractor warrants to the City that all materials and equipment used in or incorporated into the Work will be of good quality, new, and free of liens, claims, and security interests of third parties; that the Work will be of good quality and free from defects; and that the Work will conform with the requirements of the Agreement Documents. If required by the City Representative, Contractor shall furnish satisfactory evidence as to the kind and quality of materials and equipment.
14. **WARRANTY PERIOD.** The Contractor shall warrant the quality of the Work, in accordance with the terms of the Agreement Documents, for a period of one year after acceptance of the Work by the City Council. In the event that (during the one year warranty period) any portion of the Work is determined by the City Representative to be defective as a result of an obligation of the Contractor under this Agreement, the Contractor shall be in default.
15. **INDEPENDENT CONTRACTOR STATUS.** Contractor is an independent contractor and is solely responsible for all acts of its employees, agents, or subcontractors, including any negligent acts or omissions. Contractor is not City's employee and Contractor shall have no authority, express or implied, to act on behalf of the City as an agent, or to bind the City to any obligation whatsoever, unless the City provides prior written authorization to Contractor.
16. **CONFLICTS OF INTEREST.** Contractor (including its employees, agents, and subcontractors) shall not maintain or acquire any direct or indirect interest that conflicts with the performance of this Agreement. In the event that Contractor maintains or acquires such a conflicting interest, any agreement (including this Agreement) involving Contractor's conflicting interest may be terminated by the CITY.

AGREEMENT

17. **ATTORNEY'S FEES.** In the event any legal action is commenced to enforce this Agreement, the prevailing party is entitled to reasonable attorney's fees, costs, and expenses incurred.
18. **INDEMNIFICATION.** Contractor shall indemnify, defend, and hold harmless the City (including its elected officials, officers, agents, and employees) from and against any and all claims (including all litigation, demands, damages, liabilities, costs, and expenses) resulting from or arising out of the performance of the Work by Contractor (including Contractor's agents, representatives, contractors, subcontractors, and employees), except only for those claims arising from the established willful misconduct or active negligence of the City. Contractor's indemnification shall specifically include, but not be limited to, all claims arising out of: agreement claims, property damage, personal injury, and any infringement of patent rights or copyrights incidental to the use in the performance of the Work or resulting from the incorporation in the Work of any invention, design, process, product, or device not specified in the Agreement Documents. Contractor's indemnification shall include any and all costs, expenses, court costs, attorneys' fees and liability incurred by the City in enforcing the provisions of this section, and in defending against such claims, whether the same proceed to judgment or not. Contractor shall reimburse City for any expenditures City incurs by reason of such matters.
19. **ASSIGNMENT AND DELEGATION.**
- 19.1. **Assignment of This Agreement.** This Agreement and any portion thereof shall not be assigned or transferred, nor shall any of the Contractor's duties be delegated, without the written consent of the City. Any attempt to assign or delegate this Agreement without the written consent of the City shall be void and of no force and effect. A consent by the City to one assignment shall not be deemed to be a consent to any subsequent assignment.
- 19.2. **Assignment pursuant to Government Code.** Pursuant to Government Code Section 4552, the Contractor shall assign to the City, all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Section 15) or under the Cartwright Act (Chapter 2 [commencing with Section 16700] of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials pursuant to the public works agreement or the subagreement. This assignment shall be made and become effective at the time the City tenders final payment to the Contractor, without further acknowledgment by the parties. The Contractor further warrants that all goods, services, and materials provided to the City in accordance with this Agreement are free and clear of all liens and encumbrances.

AGREEMENT

20. NOTICES.

All notices, demands, or other communications which this Agreement contemplates or authorizes shall be in writing and shall be personally delivered or mailed to the respective party as follows:

To CITY:	To CONTRACTOR:
1. <u>Dave Carter</u>	<u>Robert Wright</u>
<u>Water Treatment Plant Supervisor</u>	<u>R&M Painting, Inc. dba Gold Star Painting</u>
<u>6649 South Tracy Blvd.</u>	<u>500 West Glenwood Avenue</u>
<u>Tracy, CA 95376</u>	<u>Turlock, CA 95380</u>

COPIES OF ALL NOTICES ARE TO BE SENT TO:

2. Daniel Sodergren
City Attorney
333 Civic Center Plaza
Tracy, CA 95376

Communications shall be deemed to have been given and received on the first to occur of: (1) actual receipt at the address designated above, or (2) three working days following the deposit in the United States Mail of registered or certified mail, sent to the address designated above.

21. WAIVERS. Waiver of a breach or default under this Agreement shall not constitute a continuing waiver or a waiver of a subsequent breach of the same or any other provision of this Agreement.
22. SEVERABILITY. In the event any term of this Agreement is held invalid by a court of competent jurisdiction, the Agreement shall be construed as not containing that term, and the remainder of this Agreement shall remain in full force and effect.
23. JURISDICTION AND VENUE. The interpretation, validity, and enforcement of the Agreement shall be governed by and construed under the laws of the State of California. Any suit, claim, or legal proceeding of any kind related to this Agreement shall be filed and heard in a court of competent jurisdiction in the County of San Joaquin.
25. SIGNATURES. The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity, and authority to enter into and to execute this Agreement on behalf of the respective legal entities of the Contractor and the City. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

AGREEMENT

IN WITNESS WHEREOF the parties do hereby agree to the full performance of the terms set forth herein.

CITY OF TRACY

CONTRACTOR

R&M Painting, Inc. dba
Gold Star Painting



By: Brent Ives
Title: Mayor
Date: _____

By: Robert Wright
Title: President
Date: 9/30/14

Attest: _____

Fed. Employer ID No.
20-556 7931
Contractor's License No.
553088

By: Carol Fleischmann,
Title: INTERIM CITY CLERK
Date: _____

Approved As To Form:

By: Daniel G. Sodergren
Title: CITY ATTORNEY
Date: _____

CITY OF TRACY

SPECIFICATIONS FOR MAINTENANCE WORK AGREEMENT FOR CLARIFIER AT JOHN JONES WATER TREATMENT PLANT

Addendum #1

The following changes to the specifications were made and conveyed to the Contractors attending the mandatory site meeting. This addendum is part of the Maintenance Agreement and the proposal amount includes the changes made per this addendum as follows:

- The City will pick up the collected dust and debris from the Clarifier through City equipment and dispose. The Contractor will clean the Clarifier and collect the dust and debris and put in a coordinated approved container for City's pick up.
- The City will furnish electricity connection for work in the Clarifier.
- The City will provide protection to the waffles.
- The Contractor may do half of the Clarifier at one time and complete the other half after completion of the first half.
- City will supply paint & Reducer DC

Acknowledgement of the Addendum:



(Signature)



(Contractor)

CITY of TRACY

SPECIFICATIONS FOR MAINTENANCE WORK AGREEMENT

FOR CLARIFIER AT

JOHN JONES WATER TREATMENT PLANT

The Scope of Work:

The scope of work generally includes but is not limited to the sandblasting, repairing, priming and painting of the structural steel components of the circular concrete clarifier located in the John Jones Water Treatment Plant. Prior to sandblasting the existing turntable gear box equipment will be protected from this operation. The paint will be supplied by the City. The Contractor shall meet the following requirements:

1. Secure all the equipment within the clarifier with double wrap thick plastic or other approved material to protect from damage to the equipment from the Contractors operation.
2. Provide dust control to ensure no damage occurs to other adjoining equipment or equipment in other structures located within the JJWTP.
3. Work may have to stop during sandblasting or painting operations due to excessive winds or inclement weather conditions.
4. Short intervals of activities will be enforced to avoid formation of continuous cloud of sand in the direction of wind to avoid potential damage to the other equipment located in the JJWTP.
5. Protect existing filter media and their supports within the Clarifier.
6. Provide scaffoldings with proper supports where needed for workers.
7. Bring and use own equipment during the work.
8. City will provide the electricity source.
9. Temporary toilet facilities will be provided for workers on site.

Insurance:

Insurance Requirements - Contractor shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors. The cost of such insurance shall be included in the Contractor's bid.

- (a) *Minimum Scope of Insurance* - Coverage shall be at least as broad as:

Insurance Services Office (ISO) Commercial General Liability coverage (occurrence Form number CG 00 01) or ISO form (Form CG 00 09 11 88 Owners and Contractors Protective Liability Coverage Form – Coverage for Operations of Designated Contractor.

Insurance Services Office form number CA 00 01 covering Automobile Liability, Code 1 “any auto”.

Workers' Compensation insurance as required by the Labor Code of the State of California and Employers Liability insurance.

(b) *Minimum Limits of Insurance* - Contractor shall maintain limits no less than:

General Liability: \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall be twice the required occurrence limit.

Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage.

Workers' Compensation and Employers Liability: Workers' compensation limits as required by the Labor Code of the State of California and Employers Liability limits of \$1,000,000 per accident.

(c) *Deductibles and Self-Insured Retentions* - Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either (a) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respect the City, its officers, officials, employees and volunteers; or (b) the Contractor Shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

(d) *Other Insurance Provisions* - The policies are to contain, or be endorsed to contain, the following provisions:

1. General Liability and Automobile Liability Coverages:

The City, its officers, officials, employees and volunteers are to be covered as additional insureds as respects: liability arising out of activities performed by or on behalf of the Contractor, products and completed operations of the Contractor, premises owned, occupied or used by the Contractor, or automobiles owned, leased, hired or borrowed by the Contractor. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officers, officials, employees or volunteers.

The Contractor's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its officers, officials, employees or volunteers. The Contractor's insurance shall apply separately to each insured against whom claim is made or suite is brought, except with respect to the limits of the insurer's liability.

2. Workers' Compensation and Employers Liability Coverage

The insurer shall agree to waive all rights of subrogation against the City, its officers, officials, employees and volunteers for losses arising from work performed by the Contractor for the City.

3. All Coverages

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended voided, cancelled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City.

(e) *Acceptability of Insurers* - Insurance is to be placed with California admitted insurers with a Best's rating of no less than A:VII.

(f) *Verification of Coverage* - Contractor shall furnish the City with certificates of insurance and with original endorsements effecting coverage required by this clause

The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements may either be on forms provided by the City or forms provided by the insurer so long as all the necessary information is represented. Where by statute, the City's workers' compensation-related forms cannot be used, equivalent forms approved by the Insurance Commissioner are to be substituted. All certificates and endorsements are to be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.

(g) *Subcontractor Insurance* : Contractor shall include all subcontractors as insureds under its policies or shall secure separate certificates and endorsements from each Subcontractor. All Subcontractor coverages shall be subject to all of the requirements stated in this Section, General Provisions, Section 3.08, "Insurance Requirements".

(h) *Indemnification* - Approval of any insurance by City does not relieve the Contractor or Subcontractor from liability under the Indemnification Section of the Agreement. City will not be liable for any accident, loss, or damage to the work prior to its completion and acceptance.

Labor Requirements:

1. Prevailing Wage. The California general prevailing wage rates determined by the Director of Industrial Relations are made a part of this Agreement. Nothing in the specification documents shall be interpreted in a manner conflicting with these rates. See General Provisions Section 9.05 (d), "Prevailing Wage".
2. Apprentices. Labor Code Sections 1777.5, 1777.6 and 1777.7 govern the employment of apprentices by Contractor or any Subcontractor. Contractor and any of his Subcontractors shall comply with these Labor Code requirements. Contractor shall have full responsibility for compliance regardless of any other contractual or employment relations alleged to exist. See General Provisions Section 9.05 (f), "Apprentice Program".
3. Wage Information. A copy of the general prevailing rates of per diem wager for each craft, classification or type of worker needed to perform the Agreement, as determined by the Director of the State Department of Industrial Relations, are available at the office of the City's Director of Development and Engineering Services, located at Tracy City Hall, 333 Civic Center Plaza. These will be made available to any interested party upon request.
4. Hours of Labor. The Contractor shall forfeit, as a penalty, to the City \$50 for each worker employed in the execution of the Agreement by him or by any Subcontractor for each calendar day during which any worker is required or permitted to labor more than 8 hours, in violation of Labor Code sections 1810-1815. See General Provisions Section 9.05 (c), "Hours of Labor".

5 Nondiscrimination. Contractor shall afford equal employment opportunities for all persons without discrimination because of race, color, religion, sex, sexual orientation, political affiliation, national origin, ancestry, age, marital status, or physical or mental disability.

Time of completion:

Time is of essence for completion of this work in a timely manner. The City anticipates authorizing Contractor to start work on October 8, 2014. The Contractor shall provide copies of all insurances listed in these specifications to the City by October 10th and upon verification may start the work on October 11th.

All work will be completed by the Contractor within 60 calendar days from October 11th. This includes ten calendar days allocated for repairs to the existing steel structure. City will consider extension of the completion date if any unforeseen conditions exist or extensive repairs to the existing steel structure are needed beyond the allocated ten working days as determined by the City.

The Contractor will be eligible for incentive bonus of \$5,000 in addition to their cost of work listed in their proposal if all work including all of the required repairs to the structural steel is

completed within the specified sixty days period. Liquidated damages of \$100 per calendar day will be charged to the Contractor if the work is not completed within the sixty days plus any additionally approved extension days for repair work.

Cost of Work:

The Contractor shall list the cost (Amount in Dollars) in their proposal for completing all maintenance work in accordance with these specifications. The cost shall include and not limited to complete the work as listed in the scope of work, labor and materials, profit, all incidentals to complete the required work including compliance to all requirements from the City as listed in these specifications and any other related work which is necessary to complete the required maintenance work. Cost of repairs to the structural steel members will be in addition to the cost amount listed in the proposal.

If during the maintenance work, both City and the Contractor do not reach to an agreement for the negotiated price for the steel structure repairs or any additional work related to the Maintenance Agreement, the City will authorize the Contractor to proceed with completion of that work on time and material basis plus 15% profit.

Prior to listing the cost of the required maintenance work by the Contractor in the proposal, the Contractor is REQUIRED to visit the site by contacting Mr. Dave Carter, Water Operations Superintendent at (209) 831-6302 and get familiar with the site and details of the scope of work. The proposals submitted by Contractor without visiting the site with Dave Carter will not be considered.

Progress Payments:

The Contractor shall submit progress payment request to the City every two weeks. The City will review the payment request and evaluate with the percentage of work completed and approve the payment for that portion of work. City will make payment to the Contractor within fifteen days of the receipt of the payment request from the Contractor. Thirty percent of the progress payment will be retained by the City and paid to the Contractor after completion of the work. The Contractor may choose to take one final payment after completion of the work.

Named Insured: R & M Painting Inc. dba: Gold Star Painting
Policy Number: 000619500
Effective Date: 04/15/2013 TO 04/15/2014

COMMERCIAL GENERAL LIABILITY
CG 20 33 07 04

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – OWNERS, LESSEES OR
CONTRACTORS – AUTOMATIC STATUS WHEN
REQUIRED IN CONSTRUCTION AGREEMENT WITH YOU**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. Section II – Who Is An Insured is amended to include as an additional insured any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy. Such person or organization is an additional insured only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:
1. Your acts or omissions; or
 2. The acts or omissions of those acting on your behalf;
- in the performance of your ongoing operations for the additional insured.
- A person's or organization's status as an additional insured under this endorsement ends when your operations for that additional insured are completed.
- B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:
- This insurance does not apply to:
1. "Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:
 - a. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - b. Supervisory, inspection, architectural or engineering activities.
 2. "Bodily injury" or "property damage" occurring after:
 - a. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
 - b. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

POLICY NUMBER: 000619500

COMMERCIAL GENERAL LIABILITY
CG 20 37 07 04

EFFECTIVE DATE: 04/15/2014 TO 04/15/2015

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	Location And Description Of Completed Operations
The City of Tracy, its Officers, Agents, Employees & Volunteers	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
9/24/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGRATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

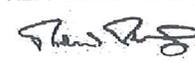
PRODUCER OnPoint Underwriting Inc. 8390 E Crescent Pkwy, Suite 200 Greenwood Village, CO 80111	CONTACT NAME: Steven McComb		
	PHONE (A/C, No Ext): (360) 828-0644	FAX (A/C, NO): (360) 828-0699	
	EMAIL ADDRESS:		
	INSURER(S) AFFORDING COVERAGE		
INSURED Barrett Business Services, Inc. LCF R & M PAINTING, INC. DBA GOLD STAR PAINTING, 2928 YOSEMITE BLVD MODESTO, CA 95354	INSURER A:	ACE American Insurance Company	NAIC # 22667
	INSURER B:		
	INSURER C:		
	INSURER D:		
	INSURER E:		
	INSURER F:		

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJ-ECT <input type="checkbox"/> LOC						EACH OCCURRENCE	\$
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$
							MED EXP (Any one person)	\$
							PERSONAL & ADV INJURY	\$
							GENERAL AGGREGATE	\$
							PRODUCTS - COMP/OP AGG	\$
								\$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident)	\$
							BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE	\$
								\$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> OCCUR DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE	\$
							AGGREGATE	\$
								\$
								\$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/ EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y/N <input checked="" type="checkbox"/> Y (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	RWC C48095823	07/21/14	07/01/2015	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER	
				Covered states: CA			E.L. EACH ACCIDENT	\$2,000,000
							E.L. DISEASE - EA EMPLOYEE	\$2,000,000
							E.L. DISEASE - POLICY LIMIT	\$2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER City of Tracy 333 Civic Center Plaza Tracy CA 95376	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATA THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE  Richard Poling
--	--

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AGENCY CUSTOMER ID: _____

LOC: #: _____



ADDITIONAL REMARKS SCHEDULE

Page 2 of 2

AGENCY OnPoint Underwriting Inc.		NAMED INSURED Barrett Business Services, Inc. 8100 NE Parkway, Suite 200 Vancouver WA 98662	
POLICY NUMBER RWC C48095823			
CARRIER ACE American Insurance Company	NAIC CODE 22667	EFFECTIVE DATE: 07/21/14	

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: 25 FORM TITLE: Certificate of Liability (01/14)

CERTIFICATE HOLDER: City of Tracy

ADDRESS: 333 Civic Center Plaza Tracy CA 95376

License: 533088 Project: John Jones Water Treatment Plant 6649 S Tracy Blvd Tracy, CA 95377

RESOLUTION 2014-_____

APPROVING A MAINTENANCE AGREEMENT WITH R & M PAINTING, INC., DBA GOLD STAR OF TURLOCK, CA, FOR MAINTENANCE AND REPAIRS OF THE EXISTING CLARIFIER AT THE CITY'S JOHN JONES WATER TREATMENT PLANT AND AUTHORIZING AN APPROPRIATION OF \$172,000 FROM THE WATER ENTERPRISE FUND F513

WHEREAS, The City's JJWTP has treatment capacity for 30 mgd; the plant has two primary clarifiers each with a capacity of 15 mgd, and

WHEREAS, Only one clarifier has been operational for the last several years, and

WHEREAS, Recently the Regional Water Quality Control Board inspected the JJWTP and also required the City to expedite completion of the maintenance and repairs of the clarifier, and

WHEREAS, Staff solicited informal proposals from various contractors to complete this work under a maintenance agreement, and

WHEREAS, Two proposals were received, and

WHEREAS, The proposal from R & M Painting, dba Gold Star from Turlock, California, is the lowest monetary proposal for \$142,000, and

WHEREAS, The City will supply the paint and other supporting materials, including temporary support to the waffles, and

WHEREAS, A total amount of \$172,000 is requested for appropriation from the Water Enterprise Fund F513;

NOW, THEREFORE, BE IT RESOLVED, That City Council approves a maintenance agreement with R & M Painting, dba Gold Star from Turlock, California, for maintenance and repairs of the existing clarifier at the City's John Jones Water Treatment Plant in the amount of \$142,000 and authorizes an appropriation of \$172,000 from the Water Enterprise Fund F513.

* * * * *

The foregoing Resolution 2014-____ was adopted by the Tracy City Council on the 7th day of October, 2014, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

MAYOR

ATTEST:

INTERIM CITY CLERK

AGENDA ITEM 3

REQUEST

PUBLIC HEARING TO CONSIDER A PROPOSAL TO AMEND THE I-205 CORRIDOR SPECIFIC PLAN DESIGNATION FROM GENERAL COMMERCIAL TO HIGH DENSITY RESIDENTIAL (APPLICATION NUMBER SPA14-0001), APPROVE A PLANNED UNIT DEVELOPMENT (PUD) PRELIMINARY AND FINAL DEVELOPMENT PLAN (APPLICATION NUMBER D14-0011) FOR A 441-UNIT MULTI-FAMILY APARTMENT PROJECT, APPROVE AN OFF-STREET PARKING SPACE REDUCTION FOR THE APARTMENT PROJECT, AND APPROVE AN ADDENDUM TO THE FILIOS/DOBLER ANNEXATION AND DEVELOPMENT PROJECT ENVIRONMENTAL IMPACT REPORT (SCH NO. 2010072043). THE APPROXIMATELY 22.22-ACRE SUBJECT PROPERTY PROPOSED FOR SPECIFIC PLAN AMENDMENT IS LOCATED ON THE SOUTH SIDE OF GRANT LINE ROAD, NORTH OF THE UNION PACIFIC RAILROAD TRACKS, EAST OF BYRON ROAD AND APPROXIMATELY 600 FEET WEST OF LAMMERS ROAD, (ASSESSOR'S PARCEL NUMBERS 209-270-10, 11, 30, AND 31). THE PUD PRELIMINARY AND FINAL DEVELOPMENT PLAN IS PROPOSED FOR APPROXIMATELY 20.04 ACRES ON THE EAST SIDE OF THE SITE, ASSESSOR'S PARCEL NUMBERS 209-270-30 AND 31. THE APPLICANT IS DENTON KELLEY, SR95 VENTURES, LLC.

EXECUTIVE SUMMARY

The development application includes a Planned Unit Development Preliminary and Final Development Plan to construct a 441-unit residential apartment project and an amendment to the I-205 Corridor Specific Plan designation from General Commercial to High Density Residential.

DISCUSSION

Project Description

The proposal is to construct a 441-unit, multi-family residential project on approximately 20 acres (Attachment A). The existing single-family home and related structures on the site will be removed as part of the Project. Attachments B through P contain the Project's site plan, exterior building elevations, floor plans, and conceptual landscape plan.

The Project proposes a two-phase development, with roughly the eastern half of the Project (10.5 acres and 231 apartment units) developed in Phase I, and the western portion of the project (9.6 acres and 210 apartment units) developed in Phase II. An alternative phasing plan may be considered as the Project is developed. The average residential density of the Project is 22 dwelling units per acre, consistent with the General Plan and I-205 Corridor Specific Plan policies.

Two building types are proposed for the apartments. Both are 3 stories and 45-feet 3-inches in height above the finished floor grade. There will be a mix in unit types in the

Project, with a total of 171 1-bedroom units, 252 2-bedroom units, and 18 3-bedroom units.

The design of the apartment buildings is modern. The buildings will utilize a neutral, earth-tone palette with colors of grey, brown and white trim. Construction materials will consist of cementitious board and batten siding, and lap siding, along with use of exterior plaster, wood eaves, steel awnings and guardrails, and composition asphalt shingle roofs. The apartments will be set back a minimum of 15 feet, 3 inches from the front property line along Grant Line Road.

A central clubhouse with swimming pool, seating areas and playground will be provided within each of the two phases of development, and available for use by all Project residents. The clubhouses will be approximately 28-feet high, and each will contain a fitness room, mail room, lounge, conference room, restrooms, small dining room, and office space. Restroom buildings will be located by the swimming pools, also containing space for pool and maintenance equipment. The clubhouse and restroom buildings will be designed consistent with the primary apartment buildings, though will utilize decorative stone siding and metal seam roofs. Tot lots will also be provided in each Project phase.

A total of 796 parking spaces will be provided, equaling 1.8 spaces per apartment unit. The majority of these spaces will be in carports, ensuring at least one covered parking space per apartment unit. The number of parking spaces would be less than required by the Municipal Code, and the applicant has requested an adjustment to the City's parking requirements (see discussion below). There will also be 88 guest parking spaces (1 space per each 5 apartment units). Additionally, there will be 102 garage units. The garages will be available for rent to any of the residents on a first come, first served basis. The garages will be located in a series of buildings, approximately 17-feet high, along the southern project boundary, providing a partial noise and visual buffer from the adjoining Union Pacific Railroad line. The garage building design and use of construction materials will be consistent with the primary apartment buildings.

Trash enclosures and enclosed trash compactor areas will be located at several areas in the parking lots, within walking distance of each apartment unit. Landscaping will include use of a combination of trees (including Chinese elm, valley oak and red oak, Whitehouse pear and fruitless olive trees), and extensive shrub and groundcover. A combination of Project perimeter fencing and walls is proposed, using six-foot tall concrete masonry walls and ornamental metal fencing.

The project is proposed to be gated. Access to the property would come from a central, signalized driveway connecting to Grant Line Road. At build-out, three additional driveways would also provide access to Grant Line Road: two would have restricted (right-in, right-out) turn movements, and the third will also allow left-in turn movements. A series of interior driveways will provide access to on-site parking areas. The project would connect to City water, wastewater and storm drainage systems.

I-205 Corridor Specific Plan Amendment – Adjoining Maibes Property

The subject property was annexed to the City in 2011 as part of the 43-acre, Filios/Dobler annexation. It was added to the I-205 Corridor Specific Plan and designated General Commercial. No specific improvements or development

applications were proposed to the City at the time, or since.

The application proposes the amendment of the I-205 Corridor Specific Plan land use designation from General Commercial to High Density Residential. The proposed land use designation would be consistent with the overall land use program prescribed by the Specific Plan. High Density Residential uses would support existing and planned commercial and mixed uses in the area, and would be fully supported by necessary infrastructure and public services. The City does not currently experience a shortage of vacant commercial property. In fact, the significant supply of vacant commercial property along I-205 within Cordes Ranch, the Tracy Hills project, and elsewhere in the City suggests a supply for many years of new commercial development. A General Plan Amendment is not required because high density residential development (12.1 to 25.0 units per acre) is allowed under the project site's Commercial General Plan designation. The Project would result in a residential density of 22 units/acre, consistent with the General Plan.

Two additional parcels (known as the Maibes property) are included in the Tracy Apartments project Specific Plan amendment application. The Maibes property totals 2.18 acres, contains a single-family home, trailer, and shop/storage buildings, and extends immediately west of the Tracy Apartments properties to the intersection of Grant Line Road and Byron Road. While no development is proposed at this time on this 2.18 acres, City staff requested the inclusion of the Maibes property in the I-205 Corridor Specific Plan amendment action, changing the General Commercial designation to High Density Residential. For the purposes of this action, the Maibes property is assumed for ultimate development of multi-family residential housing at a density comparable to the Tracy Apartments project, resulting in approximately 48 units.

The owners of the Maibes property are not associated with the project applicant and did not request a Specific Plan amendment of their property from General Commercial to High Density Residential (just as they were not an applicant of the annexation application or resulting change from San Joaquin County zoning to City of Tracy commercial zoning in 2011).

Nevertheless, as with the annexation application several years ago, City staff and the Maibes property representatives have met and discussed the current proposal during the past several months. The Maibes family indicated they oppose the proposed Specific Plan amendment of their property from General Commercial to High Density Residential (Attachment S).

City staff requested the Maibes property be included in the Specific Plan amendment, even though the Tracy Apartments Project does not include the Maibes property, based on the following considerations: vehicle access, land use compatibility, and orderly growth of the City. The triangular-shaped Maibes property will be isolated from other properties with the Union Pacific rail line on its southwest side and Grant Line Road (future four-lane arterial) on the north. Upon development, the Maibes property may not be permitted direct access to Grant Line Road, or only right-in/right-out, due to the road's travel speed, proximity to other intersections, and curved configuration of Grant Line Road at this location in the future. The City's Transportation Master Plan shows that at

build-out, Grant Line Road will not intersect with Byron Road, and Grant Line Road will, instead, curve north as it heads west from the Tracy Apartments site.

Due to the shape and size of the Maibes property, it is conceivable that it could be available only to a single user, such as a gas station, fast food restaurant, or auto sales. Such smaller, strip-type commercial development is inconsistent with Tracy's commercial development patterns of the past 25 years that have focused on larger, commercial centers along arterial streets where customers can exit the roadway and have access to multiple retailers before travelling back on to the public right-of-way. Small commercial sites are more appropriate for neighborhood shopping spots along smaller, collector streets.

The Maibes property was added to the Filios/Dobler annexation of 2011 because it was a logical extension for connection and integrated development with the larger, adjacent (now proposed Tracy Apartments) site. If the Specific Plan designation of the 20-acre Tracy Apartments site is amended from General Commercial to High Density Residential, staff believes the designation of the Maibes property should be amended as well, to help ensure compatible, adjoining land uses; coordinated access and utilities; and appropriate land use on this otherwise isolated parcel, too small to create a meaningful commercial center on its own.

Parking – Tracy Municipal Code Amendment

City parking standards require 1.5 off-street parking spaces per one-bedroom unit, 2.0 spaces per unit with two or more bedrooms, and 1.0 guest space for every five units. This 441-unit project would require 885 off-street parking spaces under City parking standards, as shown in the following summary table.

Unit Type	City Parking Standard	Number of Units Proposed	Off-Street Parking Required by Code
1 Bedroom	1.5 spaces/unit	171	257
2 Bedroom	2.0 spaces/unit	252	504
3 Bedroom	2.0 spaces/unit	18	36
Guest Parking	1 space/5 units	441	88
		441 Units	885 Spaces

The Project, by contrast, proposes a total of 796 off-street parking spaces – 89 (or 10%) fewer spaces than is required by City parking standards.

The number of off-street parking spaces required for multi-family projects by the City of Tracy is higher than many other jurisdictions. Recognizing this, the City Council adopted an ordinance in 2012, consistent with City General Plan and Sustainability Action Plan policies, providing for a reduction of up to 20% of a project's required parking when a parking survey or study demonstrates that the number of spaces otherwise required will not be necessary to mitigate off-street parking demand.

This Code provision allows the City to consider reductions to the number of required off-street parking spaces on a case-by-case basis.

For this Project, the applicant prepared a parking survey (Attachment Q) to compare the number of parking spaces appropriate for this project.

The parking survey demonstrates that 796 off-street parking spaces (1.8 parking spaces per dwelling unit) for this project will adequately mitigate the on-site parking demand. Each of the 441 apartment units would be assigned a carport space, with another 289 surface spaces unassigned and 102 garage spaces available for rent to Project residents.

The parking space reduction requested is 10% of the total number of spaces otherwise required. During the past two years, the City Council (after review by the Planning Commission) approved parking space reductions for the 301-unit Aspire Apartment project (14% reduction) and the 60-unit MacDonald Apartment project (15.4% reduction). Neither of these projects has yet been constructed.

Staff is recommending approval of the parking reduction request, determining that 1.8 parking spaces per dwelling unit are adequate for this Project.

Public Schools

The Project site is located within the Tracy Unified School District related to K through 12th grade education. School-aged children who reside within the Project would be in the attendance boundary areas for Melville S. Jacobsen Elementary School, Monte Vista Middle School, and West High School.

Recommended Condition of Approval Number B.32 references the requirement for school fee payment by the project. Attachment R is correspondence from Tracy Unified School District indicating a mitigation agreement has been executed with the developer and the District has no objection to the project.

CEQA DOCUMENTATION

An Addendum was prepared for the proposed Project in accordance with the California Environmental Quality Act (CEQA) and the CEQA Guidelines. The Addendum is to the previously certified Environmental Impact Report (EIR) (State Clearinghouse Number 2010072043) for the Filios/Dobler Annexation and Development Project, approved by the City in 2011. The City of Tracy is the lead agency for the environmental review of the proposed project modifications. CEQA Guidelines Section 15164 defines an Addendum as:

The lead agency or responsible agency shall prepare an addendum to a previously certified EIR if some changes or additions are necessary but none of the conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred...A brief explanation of the decision not to prepare a subsequent EIR pursuant to Section 15162 should be included in an addendum to an EIR, the lead agency's findings on the project, or elsewhere in the record.

The proposed changes to the Filios/Dobler Annexation and Development EIR, in evaluating the proposed Tracy Apartments and Maibes property, do not meet the criteria for preparing a subsequent EIR or negative declaration. These criteria include evaluation

of whether there has been any substantial change proposed in the project not evaluated in the previous EIR which will require new environmental analysis due to potential for significant new environmental impacts; if there are significant changes in circumstances under which the project will be built that could not have been evaluated at the time the previous EIR was prepared; and if new information has become available that was not known at the time of the previous EIR was prepared. With the Tracy Apartments and Maibes property project, none of the above criteria are met, and therefore an Addendum to the previously certified Filios/Dobler EIR is the appropriate CEQA document. The EIR Addendum is contained in Exhibit 1 to the City Council Resolution.

PLANNING COMMISSION REVIEW

On August 27, 2014, the Planning Commission conducted a public hearing to review the project. The applicant spoke in favor of the project and answered questions for the Planning Commission.

The Planning Commission expressed interest in improving the appearance of the proposed buildings from Grant Line Road. As shown on the proposed site plan, Attachment B, six buildings face directly toward Grant Line Road. One recommended condition of approval from the Planning Commission (Number B.37) would require the developer to add architectural embellishments to the building elevations in view from Grant Line Road.

Attachments T and U illustrate two additions proposed by the developer in response to that recommended condition of approval following the August 27th Planning Commission meeting: (1) create a second and third floor pop out on all six of the building elevations facing Grant Line Road, with extended roof overhang and cement board siding, trim, and support brackets similar to the adjacent portion of the building; and (2) provide a low plaster wall with iron fencing above, articulated with decorative stone pilasters similar to those in front of the clubhouse. The decorative stone pilasters will also be incorporated into the metal fencing along the entry drive and the fencing already proposed along the project Grant Line Road frontage.

Gary Dobler, owner of approximately 20 acres adjacent to the east of the proposed apartments, also addressed the Commission. Mr. Dobler, whose property is designated General Commercial, requested the City require the developer to build a taller, masonry wall (eight feet to ten feet, instead of six feet, as proposed) along the property line separating the proposed apartment project from Mr. Dobler's property, to help mitigate impacts such as noise and security issues. The Planning Commission concluded that a six-foot tall wall, as proposed, would be appropriate at this time.

Rebecca Maibes, owner of the approximately 2.18-acre Maibes property, west of the proposed apartment project, addressed the Planning Commission and submitted correspondence summarizing their request (Attachment S). Ms. Maibes asked that her property not be included in the Specific Plan amendment (from General Commercial to High Density Residential), as recommended by City staff, but instead allow her property to remain General Commercial. Ms. Maibes' request is based on her concern that the High Density Residential designation would reduce the potential market value of their property.

The Planning Commission recommended that the City Council approve the project, excluding the Maibes property from the Specific Plan amendment.

STRATEGIC PLANS

The proposal is a routine item and is not related to the Council's Strategic Plans.

FISCAL IMPACT

The agenda item will not require any specific expenditure from the General Fund. Staff and consultant costs to process the applications are recovered through a Cost Recovery Agreement with the developer executed by the City Manager on April 21, 2014.

RECOMMENDATION

Staff recommends that the City Council take the following action:

1. Approve the Addendum to the Filios/Dobler EIR in support of the proposed Project.
2. Approve the Amendment to the I-205 Corridor Specific Plan, changing the Tracy Apartments and Maibes properties land use designations from General Commercial to High Density Residential.
3. Approve the proposed parking reduction, determining that 1.8 off-street parking spaces per unit are sufficient to mitigate parking demands of the Project.
4. Approve a Planned Unit Development (PUD) Preliminary and Final Development Plan for a 441-unit multi-family apartment project.

The Planning Commission, furthermore, recommends:

5. Exclude the Maibes property from the Specific Plan Amendment.

Prepared by: Brian Millar, Planning Consultant
Alan Bell, Senior Planner

Reviewed by: Bill Dean, Assistant Development Services Director
Andrew Malik, Development Services Director
Maria A. Hurtado, Assistant City Manager

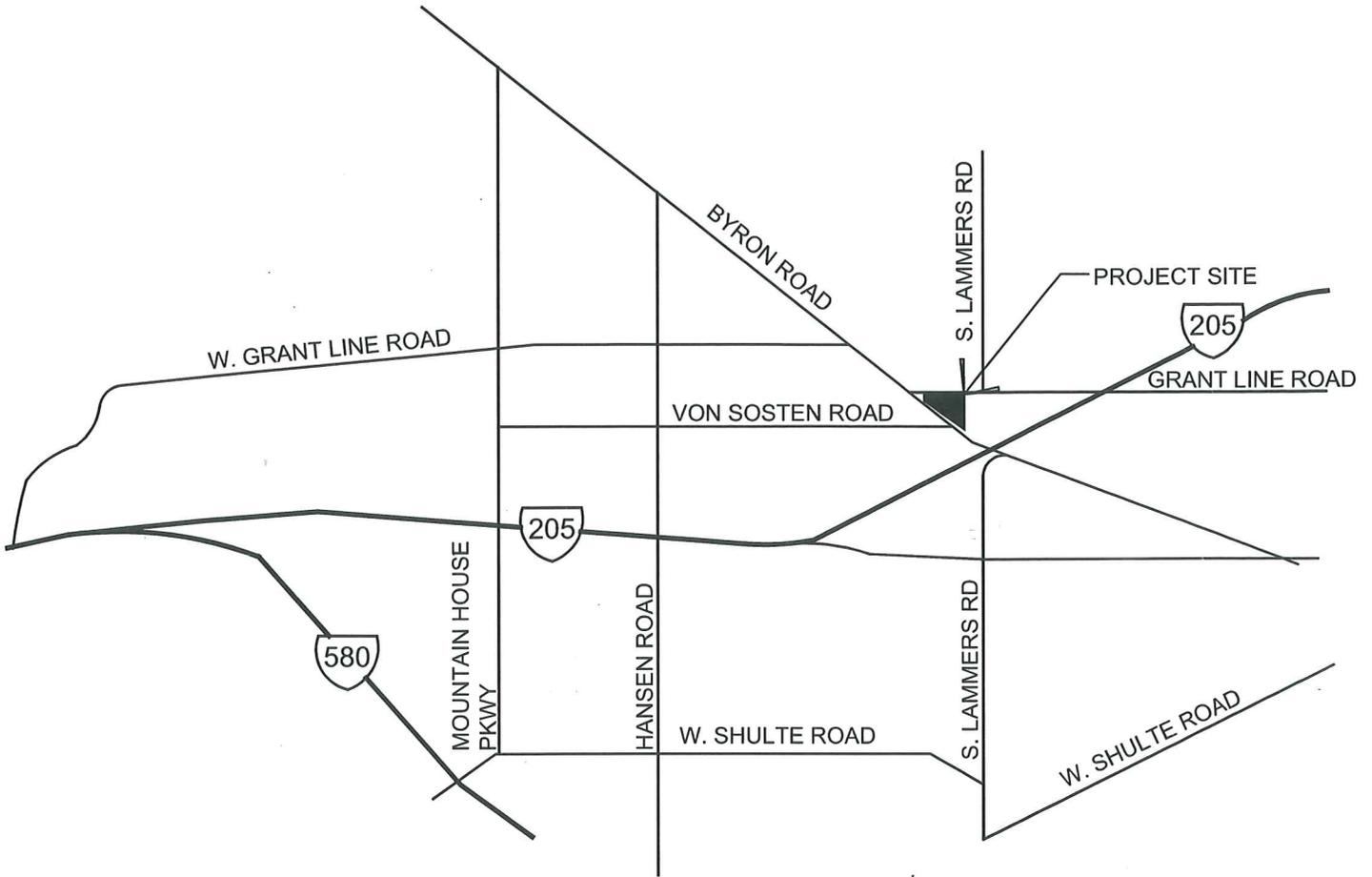
Approved by: Troy Brown, City Manager

ATTACHMENTS

Attachment A – Location Map/Specific Plan Amendment
Attachment B – Site Plan
Attachment C – Building 1 Elevations
Attachment D – Building 1 First and Second Floor Plans
Attachment E – Building 1 Third Floor and Roof Plans
Attachment F – Building 1 Perspectives
Attachment G – Building 1 Perspectives

- Attachment H – Building 2 Elevations
- Attachment I – Building 2 First and Second Floor Plans
- Attachment J – Building 2 Third Floor and Roof Plans
- Attachment K – Building 2 Perspectives
- Attachment L – Building 2 Perspectives
- Attachment M – Clubhouse Plans and Elevations
- Attachment N – Clubhouse Perspectives
- Attachment O – Restroom and Garage Plans
- Attachment P – Landscape Plan
- Attachment Q – Applicant's Parking Study
- Attachment R – August 20, 2014 Correspondence from Tracy Unified School District
- Attachment S – August 25, 2014 Correspondence from the Maibes Family
- Attachment T – Revised "rear elevation" of Building One, facing Grant Line Road
- Attachment U – Proposed location of plaster and iron fence with decorative stone pilasters

Oversized Plans – Available for review in Development Services Department, City Hall



VICINITY MAP
N.T.S.



TRACY APARTMENTS

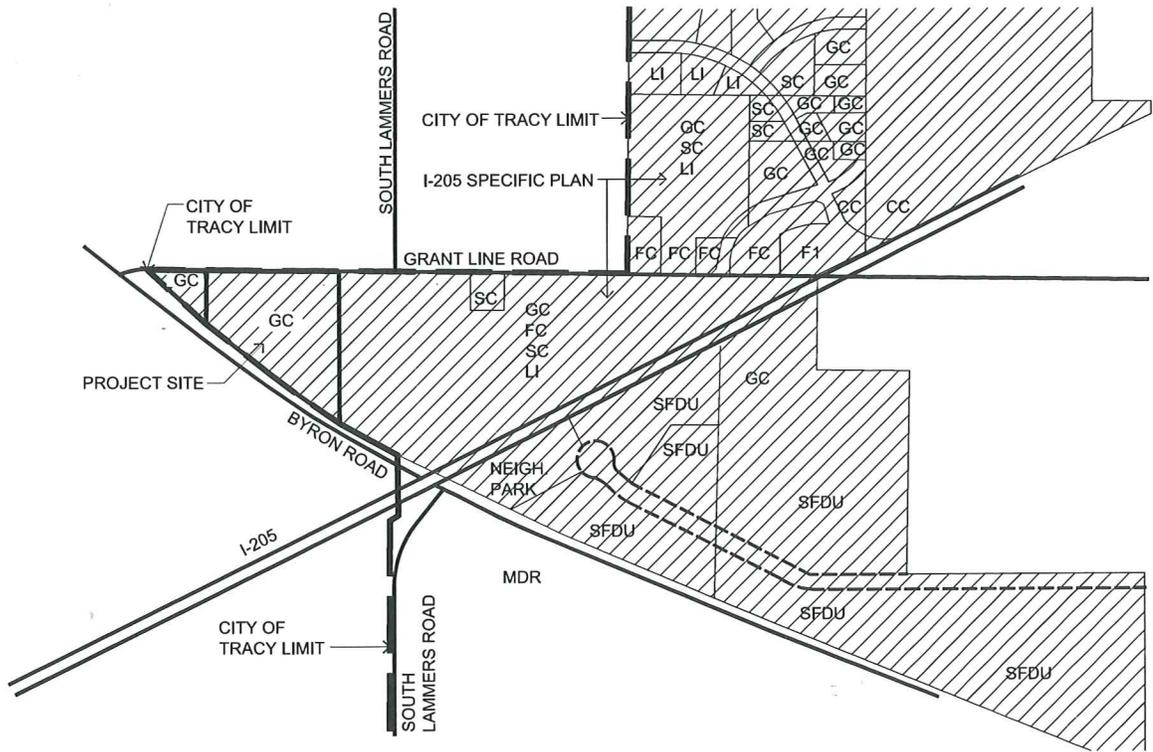
GRANT LINE ROAD

TRACY, CA

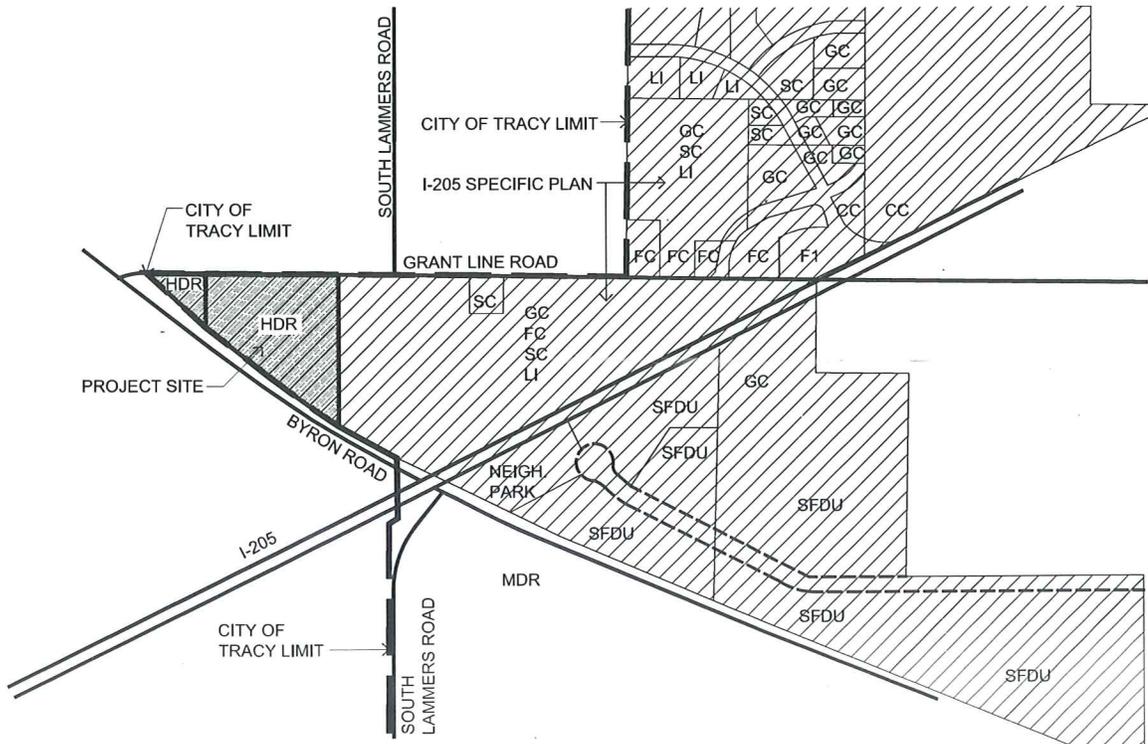
1083-0001
08.19.2014

LPAS

2484 Natomas Park Drive Suite 100 Sacramento CA 95833
916 443 0335 lpasdesign.com Architecture • Design



EXISTING I-205 SPECIFIC PLAN



PROPOSED I-205 SPECIFIC PLAN

TRACY APARTMENTS

GRANT LINE ROAD

TRACY, CA

1083-0001
08.19.2014

LPAS

2484 Natomas Park Drive Suite 100 Sacramento CA 95833
916 443 0335 lpasdesign.com Architecture + Design



LEFT ELEVATION
1/8" = 1'-0" 2



FRONT ELEVATION
1/8" = 1'-0" 1



RIGHT ELEVATION
1/8" = 1'-0" 4



REAR ELEVATION
1/8" = 1'-0" 3

- MATERIAL LEGEND**
- 1 COMPOSITION ASPHALT SHINGLE ROOF AT 6:12 PITCH U.N.O
 - 2 CEMENTITIOUS BOARD AND GYPSUM BOARD
 - 3 CEMENTITIOUS HORIZONTAL LAP SIDING
 - 4 EXTERIOR PLASTER
 - 5 CEMENTITIOUS 2x4/2x6 TRIM
 - 6 2x4 WOOD SIDING AND RAFTERS
 - 7 STANDING SEAM METAL ROOF
 - 8 CORRUGATED METAL SIDING
 - 9 DECORATIVE POLYURETHANE BASED 4x8 JOINTLOCKERS & 4x4 HICKERS WITH WOOD GRAIN FINISH
 - 10 PAINTED TUBE STEEL WINDOW
 - 11 PAINTED TUBE STEEL CLADDING
 - 12 PAINTED TUBE STEEL DECORATIVE CROSS BRACKS
 - 13 VINYL FRAME WINDOWS
 - 14 FIRE-RESISTANT FRAME FRICH DOORS
 - 15 PLASTER FINISHED WALL AT 4'-0" HIGH TO SECOND FLOOR LEVEL

TRACY APARTMENTS
AT GRANT LINE ROAD

TRACY, CA

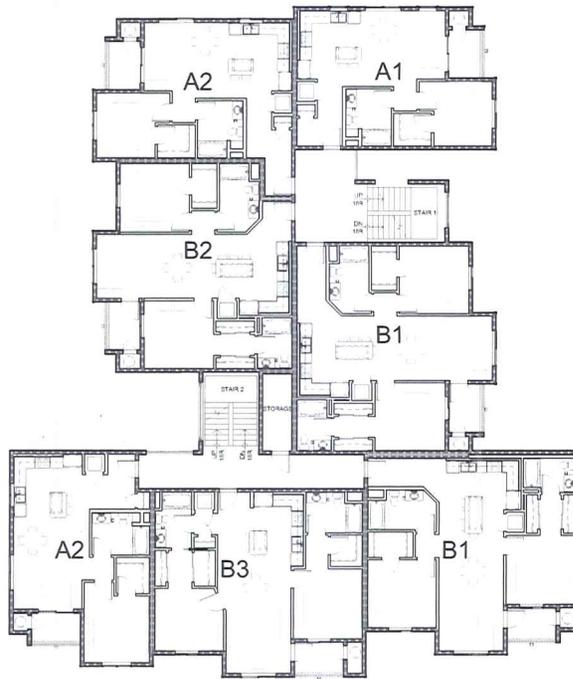
BUILDING 1 - EXTERIOR ELEVATIONS

DATE: 8/15/14
PROJECT NO: 1183-0001
SCALE:
SHEET: A1.3

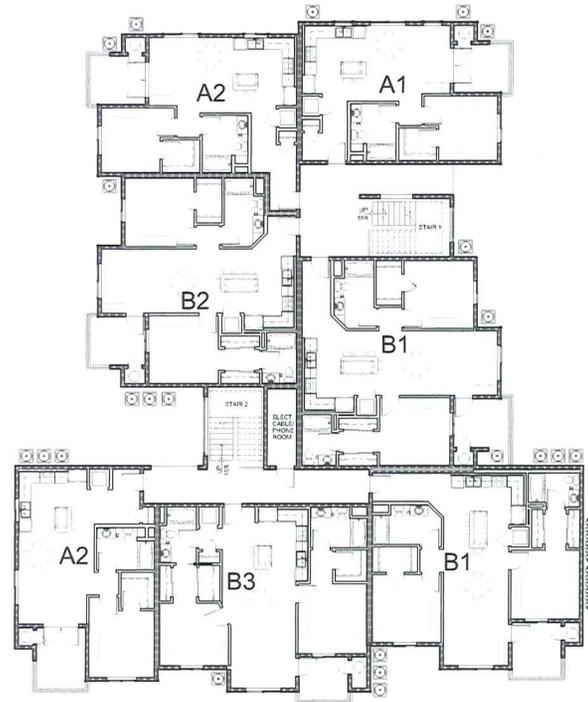
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AUG 15 2014
CITY OF TRACY



ATTACHMENT C



SECOND FLOOR BUILDING PLAN 2



FIRST FLOOR BUILDING PLAN 1

TRACY APARTMENTS
AT GRANT LINE ROAD

TRACY, CA

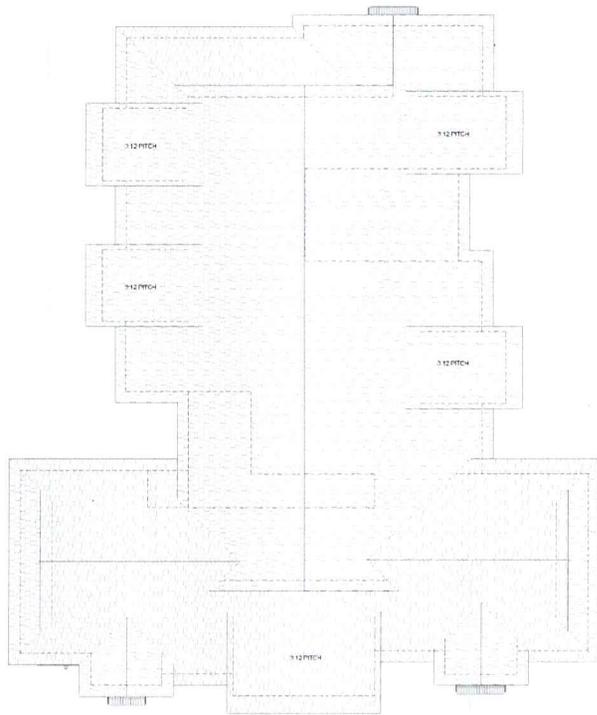
BUILDING 1 - FIRST & SECOND
FLOOR PLAN

DATE: 8/15/14
PROJECT NO: 1183-0001
SCALE:
SHEET: A1.1

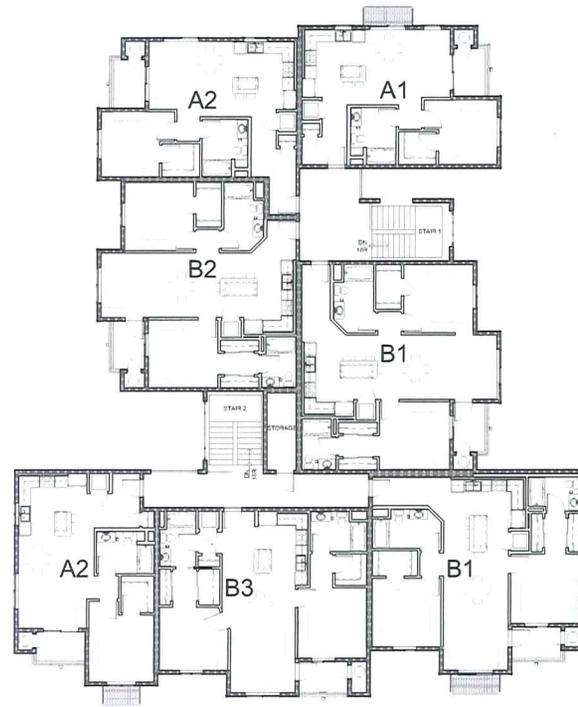
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AUG 15 2014
CITY OF TRACY



ATTACHMENT D



ROOF PLAN 4



THIRD FLOOR BUILDING PLAN 3

TRACY APARTMENTS
AT GRANT LINE ROAD

TRACY, CA

**BUILDING 1 - THIRD FLOOR AND
ROOF PLAN**

DATE: 8/15/14
PROJECT NO: 1183-0001
SCALE:
SHEET: A1.2

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AUG 15 2014
CITY OF TRACY



ATTACHMENT E



TRACY APARTMENTS
AT GRANT LINE ROAD

TRACY, CA

BUILDING 1 - PERSPECTIVES

DATE: 8/15/14
PROJECT NO: 1183-0001
SCALE:
SHEET: A1.4

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ATTACHMENT F



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CITY OF TRACY

TRACY APARTMENTS
AT GRANT LINE ROAD

TRACY, CA

BUILDING 1 - PERSPECTIVES

DATE: 8/15/14
PROJECT NO: 1183-0001
SCALE:
SHEET: A1.5





LEFT ELEVATION | 3
1/8" = 1'-0"



FRONT ELEVATION | 1
1/8" = 1'-0"



RIGHT ELEVATION | 2
1/8" = 1'-0"



REAR ELEVATION | 4
1/8" = 1'-0"

MATERIALS LEGEND

- 1 COMPOSITION ASPHALT SHINGLE ROOF AT 12 PITCH U/I/O
- 2 CERAMITIC BOARD AND BATTEN SIDING
- 3 CERAMITIC HORIZONTAL LAP SIDING
- 4 EXTERIOR PLASTER
- 5 CERAMITIC 2x4x8 TRIM
- 6 2x4 WOOD GAVES AND RAFTERS
- 7 STANDING SEAM METAL ROOF
- 8 CORRUGATED METAL SIDING
- 9 DECORATIVE POLYURETHANE BASED 4x8 OUTLOOKERS & 4x8 RACKERS WITH WOOD GRAIN FINISH
- 10 PAINTED TUBE STEEL SIDING
- 11 PAINTED TUBE STEEL QUADRANT
- 12 PAINTED TUBE STEEL DECORATIVE CROSS BRACING
- 13 VINYL FRAME WINDOWS
- 14 FIBERGLASS FRAME FRENCH DOORS
- 15 PLASTER FINISHED WALL AT 4'-0" HIGH TO SCREEN GAS METERS

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AUG 15 2014

CITY OF TRACY



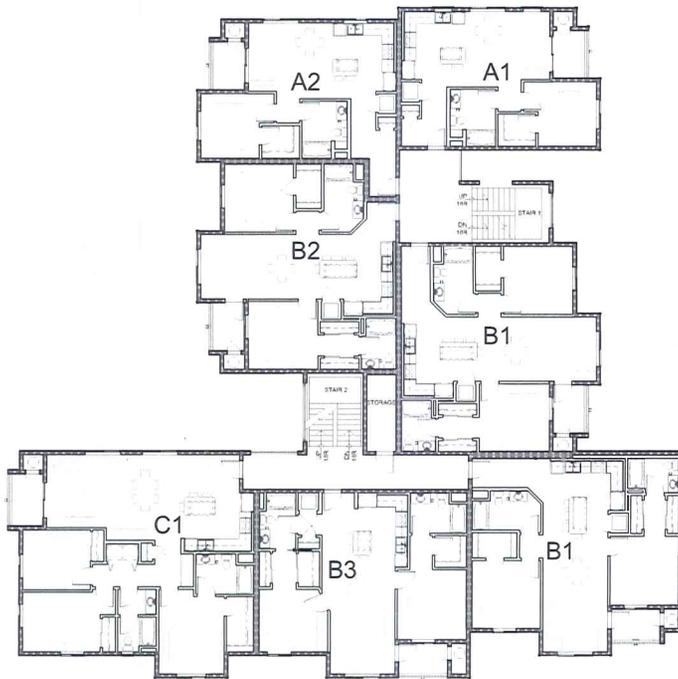
**TRACY APARTMENTS
AT GRANT LINE ROAD**

TRACY, CA

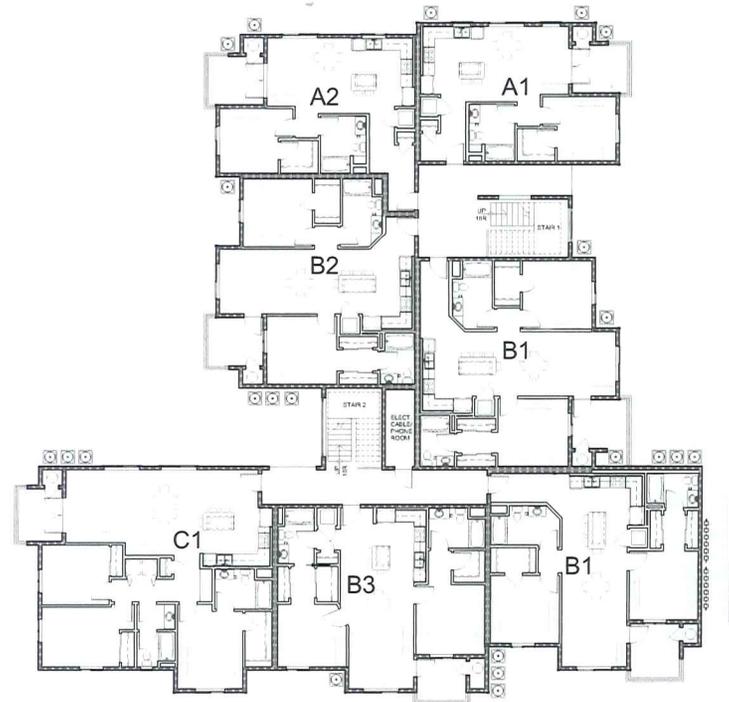
**BUILDING 2 - EXTERIOR
ELEVATIONS**

DATE: 8/15/14
PROJECT NO: 1183-001
SCALE:
SHEET: A2.3

ATTACHMENT H



SECOND FLOOR BUILDING PLAN
1/8" = 1'-0" 2



FIRST FLOOR BUILDING PLAN
1/8" = 1'-0"

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CITY OF TRACY

TRACY APARTMENTS
AT GRANT LINE ROAD

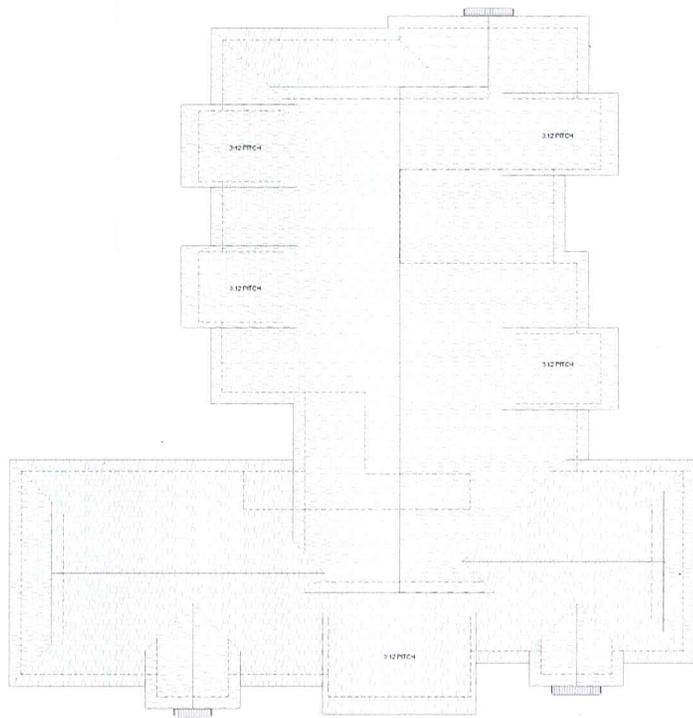
TRACY, CA

BUILDING 2 - FIRST & SECOND
FLOOR PLAN

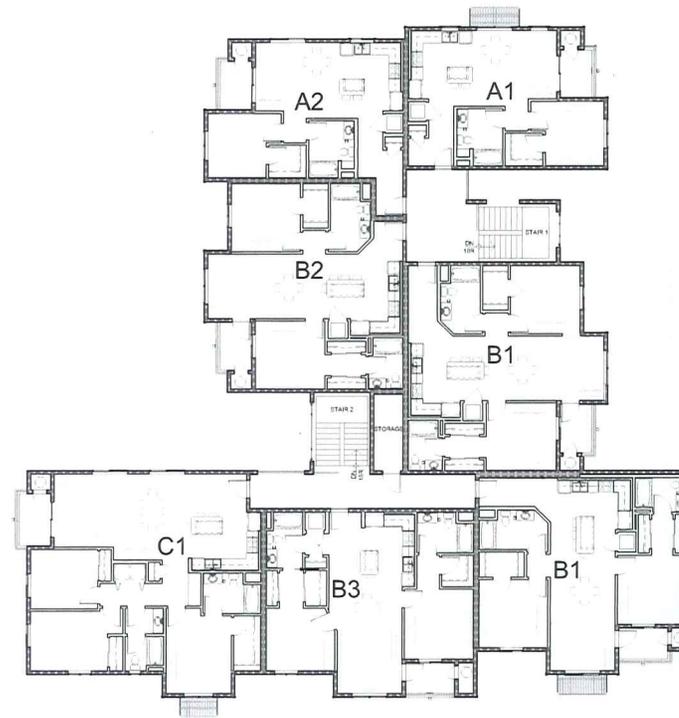
DATE: 8/15/14
PROJECT NO: 1183-0001
SCALE:
SHEET: A2.1



ATTACHMENT I



ROOF PLAN 4



THIRD FLOOR BUILDING PLAN 3

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CITY OF TRACY

TRACY APARTMENTS
AT GRANT LINE ROAD

TRACY, CA

BUILDING 2 - THIRD FLOOR AND
ROOF PLAN

DATE: 8/15/14
PROJECT NO: 1183-0001
SCALE:
SHEET: A2.2



ATTACHMENT J



TRACY APARTMENTS
AT GRANT LINE ROAD

TRACY, CA

BUILDING 2 - PERSPECTIVES

DATE: 8/15/14
PROJECT NO: 1183-0001
SCALE:
SHEET: A2.4

RECEIVED
AUG 15 2014
CITY OF TRACY





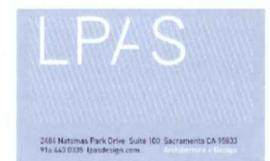
TRACY APARTMENTS
AT GRANT LINE ROAD

TRACY, CA

BUILDING 2 - PERSPECTIVES

DATE: 8/15/14
PROJECT NO: 1183-0001
SCALE:
SHEET: A2.5

RECEIVED
AUG 15 2014
CITY OF TRACY





LEFT ELEVATION | 5
1/8" = 1'-0"



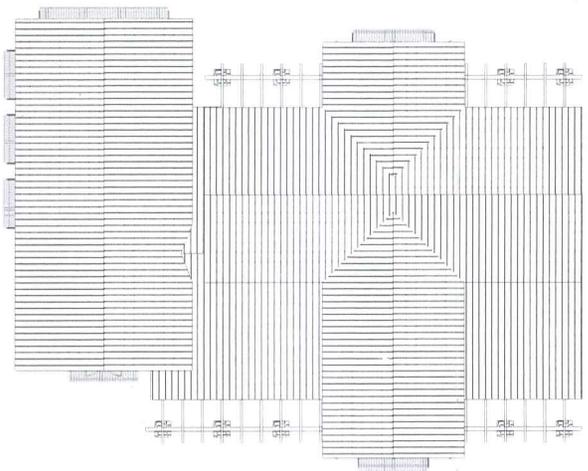
FRONT ELEVATION | 3
1/8" = 1'-0"



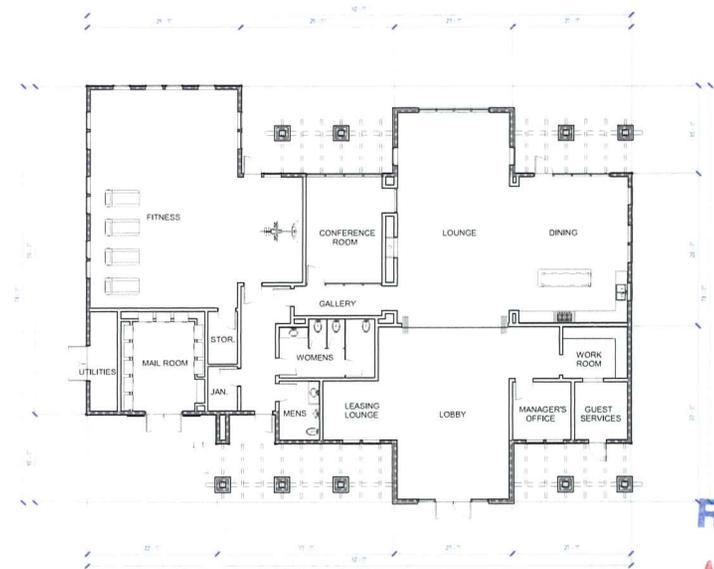
RIGHT ELEVATION | 6
1/8" = 1'-0"



REAR ELEVATION | 4
1/8" = 1'-0"



CLUBHOUSE ROOF PLAN | 2
1/8" = 1'-0"



CLUBHOUSE FLOOR PLAN | 1
1/8" = 1'-0"

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AUG 15 2014

CITY OF TRACY



ATTACHMENT M

TRACY APARTMENTS
AT GRANT LINE ROAD

TRACY, CA

CLUBHOUSE - PLANS & ELEVATIONS

DATE: 8/15/14
PROJECT NO: 1183-0001
SCALE:
SHEET: A3.1



TRACY APARTMENTS
AT GRANT LINE ROAD

TRACY, CA

CLUBHOUSE - PERSPECTIVES

DATE: 8/15/14
PROJECT NO. 1183-0001
SCALE:
SHEET: A3.2

RECEIVED
AUG 15 2014
CITY OF TRACY





LEFT ELEVATION
10' - 0" x 10' - 0" | 10



FRONT ELEVATION
10' - 0" x 10' - 0" | 9



RESTROOM LEFT ELEVATION
10' - 0" x 10' - 0" | 5



RESTROOM FRONT ELEVATION
10' - 0" x 10' - 0" | 3



RIGHT ELEVATION
10' - 0" x 10' - 0" | 11



REAR ELEVATION
10' - 0" x 10' - 0" | 12



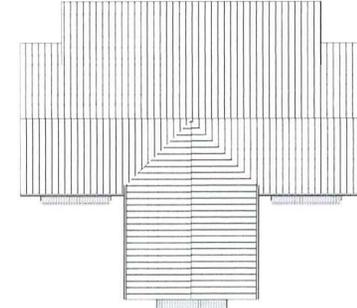
RESTROOM RIGHT ELEVATION
10' - 0" x 10' - 0" | 4



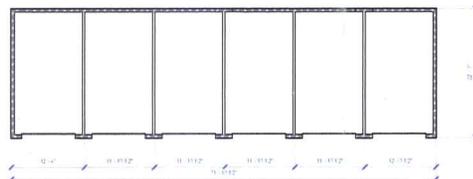
RESTROOM REAR ELEVATION
10' - 0" x 10' - 0" | 6



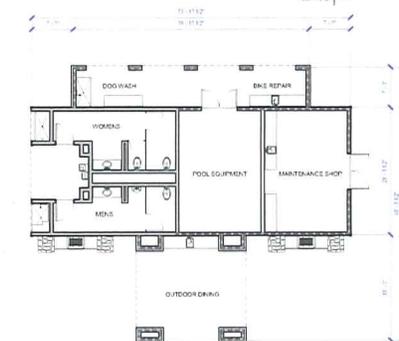
ROOF PLAN
10' - 0" x 10' - 0" | 8



RESTROOM ROOF PLAN
10' - 0" x 10' - 0" | 2



FIRST FLOOR GARAGE PLAN
10' - 0" x 10' - 0" | 7



FIRST FLOOR RESTROOM PLAN
10' - 0" x 10' - 0" | 1

RECEIVED
AUG 15 2014
CITY OF TRACY

TRACY APARTMENTS AT GRANT LINE ROAD

TRACY, CA

RESTROOM & GARAGE BUILDING

DATE: 8/15/14
PROJECT NO: 1183-0001
SCALE:
SHEET: A4.1





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 AUG 15 2014
 CITY OF TRACY

SCALE 1" = 50'-0"



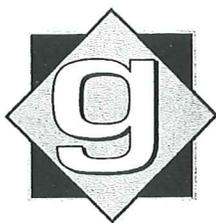
COLOR SITE PLAN

DATE: 08.15.2014
 PROJECT NO: 1183-0001
 SCALE: 1" = 50'
 SHEET: L2.00

TRACY APARTMENTS
 GRANT LINE ROAD
 TRACY, CALIFORNIA

PLANT SCHEDULE

TREES	BOTANICAL NAME / COMMON NAME	QTY	DETAIL
	Cercis canadensis / Flowering Dogwood	24" tree	26
	Lagotis arvensis / Meadow / Caper Bush	15 gal	45
	Quercus agrifolia / Foothill / Foothill Oak Tree	15 gal	47
	Prunella americana / Canyon Island Pine	15 gal	50
	Pinus attenuata / Whitebark / Whitebark Pine	15 gal	77
	Quercus laevis / Valley Oak	24" tree	75
	Quercus agrifolia / Foothill Red Oak	24" tree	73
	Ulmus americana / Common Elm	15 gal	111
	Washingtonia robusta / Mexican Fan Palm	15 gal	6
	Zelkova serotina / Village Green / Lumbard Zelkova	15 gal	65



the
garibaldi
company

August 14, 2014

City of Tracy Planning Department

Re: Tracy Grant Line Project

In order to plan effectively for the Tracy Grant Line project we completed a survey of parking ratios for all of the garden style apartment communities currently owned/managed by The Garibaldi Company. The properties included in the survey represent a good sampling of a variety of conditions as they differ based on the date of construction, unit types, location, and resident demographic.

The three main data figures that we were interested in determining are as follows:

1. Parking Ratio: The parking ratio is the total number of parking spaces (not including garages) compared to the total number of units at the property.
2. Parking Ratio w/Garage: The parking ratio with garages is the total number of parking spaces (including garages) compared to the total number of units at the property.
3. Parking w/o Garage by # of Bedrooms: The parking without garages by number of bedrooms is the total number of parking spaces (not including garages) compared to the number of bedrooms at the property.

As illustrated in the attached parking analysis, both phases of the Tracy Grant Line project generally conform to the company average in all three of the categories.

	Parking Ratio	Parking Ratio (w/Garage)	Parking w/o Garage by # of Bedrooms
Company Average	1.56	1.64	.95
Tracy Grant Line (East)	1.57	1.81	.94
Tracy Grant Line (West)	1.54	1.77	.95

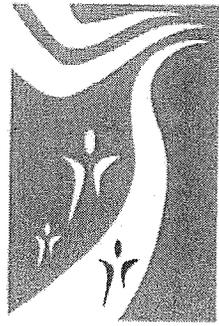
Based on our findings we are confident that Tracy Grant Line will have ample parking. The parking ratios reflected for the other properties within our survey are sufficient for the various resident demographics reflected.

management • **apartment specialists** • consultants

The Garibaldi Company Parking Analysis

Property	City	# of Units	# of Bedrooms	Covered	Uncovered	Total Spaces	Parking Ratio	Garages	Total Spaces	Parking Ratio w/Garage	Parking w/o Garage by # of Bedrooms
Avalon Place	Manteca	72	144	76	1	77	1.07	30	107	1.49	0.53
Brookside	Stockton	218	392	128	210	338	1.55	90	428	1.96	0.86
Carriage House Cottages	Fremont	123	181	87	92	179	1.46	0	179	1.46	0.99
Emerald Pointe	Orangevale	184	268	184	116	300	1.63	0	300	1.63	1.12
Lakeview Village	Rocklin	164	304	164	134	298	1.82	48	346	2.11	0.98
Laurel Oaks	Stockton	120	200	128	71	199	1.66	0	199	1.66	1.00
Lincoln Village West	Sacramento	520	936	520	289	809	1.56	0	809	1.56	0.86
Marina Village	Stockton	112	134	48	102	150	1.34	0	150	1.34	1.12
Paseo Villas	Stockton	528	760	538	261	799	1.51	0	799	1.51	1.05
Sand Creek	Manteca	293	526	297	286	583	1.99	48	631	2.15	1.11
The Fountians	Lodi	130	220	130	55	185	1.42	0	185	1.42	0.84
Venetian	Lodi	149	292	145	131	276	1.85	0	276	1.85	0.95
Villa Del Rio	Stockton	354	539	330	239	569	1.61	24	593	1.68	1.06
Vineyards	Sacramento	180	310	176	74	250	1.39	0	250	1.39	0.81
Woodmore Manor	Lodi	160	284	160	97	257	1.61	0	257	1.61	0.90
	Citrus Heights	110	163	110	55	165	1.50	0	165	1.50	1.01
Total/Average		3417					1.56			1.64	0.95

Tracy Grant Line (East)		231	387	232	131	363	1.57	54	417	1.81	0.94
Tracy Grant Line (West)		210	342	211	113	324	1.54	48	372	1.77	0.95



TRACY
UNIFIED SCHOOL DISTRICT

August 25, 2014

Mr. Alan Bell
City of Tracy
Development Services Department
Planning Division
333 Civic Center Plaza
Tracy, CA 95376
Email: Alan.Bell@ci.tracy.ca.us

RE: Tracy Apartments at Grantline Road – *Supersede Letter*
Application No.: SPA1A-0001 and D14-0011

*"The future belongs
to the educated"*

Dear Mr. Bell:

Thank you for providing the school district the opportunity to comment on the plans being considered regarding APN# 209-270-30. *This letter supersedes the letter written on 8-20-14.* The proposed development referenced above will allow up to 470 residential apartment units to be built within the Tracy Unified School District boundaries. It is estimated that the proposed project will generate 158 new K – 8 students and 52 new 9 – 12 students.

Dr. Brian R. Stephens
Superintendent
(209) 830-3201
(209) 830-3204 Fax

Dr. Casey J. Goodall
*Associate Superintendent
of Business Services*
(209) 830-3230
(209) 830-3259 Fax

Dr. Sheila Harrison
*Assistant Superintendent
of Educational Services:*
(209) 830-3202
(209) 830-3209 Fax
& *Human Resources:*
(209) 830-3260
(209) 830-3264 Fax

Bonny Carter
*Director of Facilities and
Planning*
(209) 830-3245
(209) 830-3249 Fax

The school district has been in contact with the developer, Souza Realty, and the developer has provided the district with a 1999 signed school mitigation agreement between the school district and the previous land owner, William Filios.

The executed MOU constitutes the school mitigation required of the owner, as such, the district has no object to the processing of this application.

If you have any questions please give me a call at (209) 830-3245 or email at bcarter@tusd.net.

Sincerely,

Bonny Carter
Director of Facilities & Planning

SHANE AND REBECCA MAIBES
3610 W. Grant Line Rd.
Tracy, CA 95304

RECEIVED
AUG 25 2014
CITY OF TRACY

August 25, 2014

City of Tracy Planning Commissioners
333 Civic Center Plaza
Tracy, Ca. 95376

Dear City of Tracy Planning Commissioners,

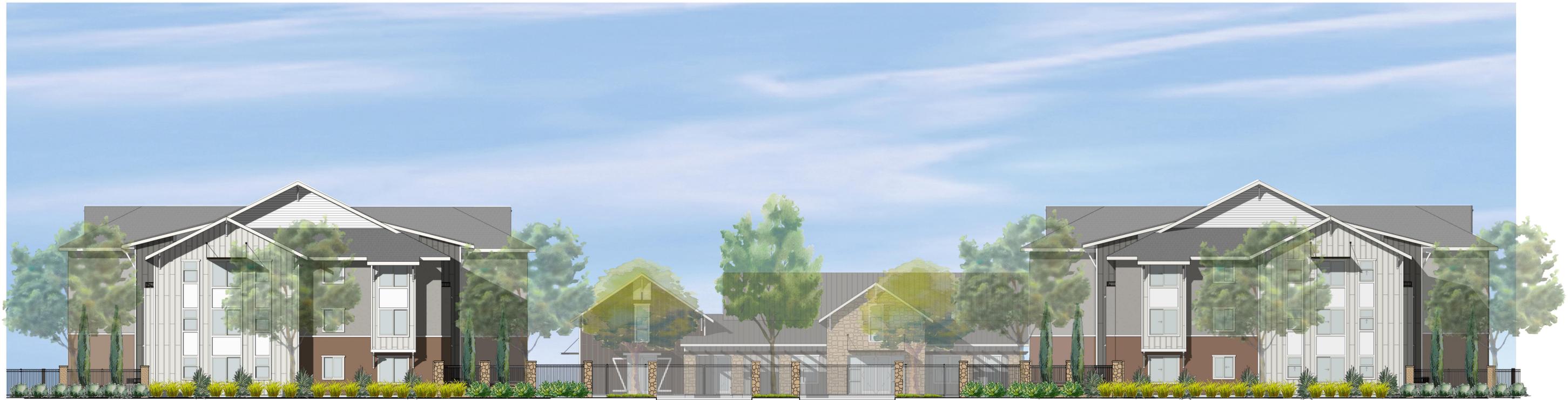
My name is Rebecca Maibes. My husband and I own 3610 W. Grant Line Rd. and 3644 W. Grant Line Road. I am contacting you regarding the I-205 corridor specific plan designation amendment from general commercial to high density residential and the 441-unit residential apartment project, because both directly affect our property which is included in the acreage to be rezoned. We strongly oppose the rezoning of our property as it will extremely limit our options. Such a change will significantly reduce the economic value of our property in favor of SR95 Ventures.

We were informed that the planning commission is recommending our property be rezoned to high density residential in support of the SR95 Ventures project. The Maibes family strongly opposes and we are NOT participating in the rezoning of our properties, which were just recently rezoned to general commercial in the Dobler/Filos/Maibes annexation and EIR. Mr. Kelley is requesting the changes in zoning, not the Maibes family. Furthermore, we have made no agreement with SR 95 to act on our behalf.

Mike Souza presented a Letter of Intent to purchase our property on behalf of Denton Kelley, SR95 Ventures, which we could not accept, as the price was well below the current market value for general commercial property. This property has been in our family since 1977. It not only serves as a home, it is as a source of income for our family. It is our responsibility to ensure our family remains financially stable and continues to live the lifestyle we currently live.

Sincerely,

Shane and Rebecca Maibes



40
32
24
16
8
0

FT
SCALE: 1/8" = 1'-0"

TRACY APARTMENTS

GRANT LINE ROAD

TRACY, CALIFORNIA

GRANT LINE ROAD STREET ELEVATION

DATE: 09.30.2014
PROJECT NO: 1183-0001
SCALE: 1" = 50'
SHEET: A1.01

LPAS

2484 Natomas Park Drive Suite 100 Sacramento CA 95833
916 443 0335 lpasdesign.com Architecture + Design



40
 32
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 SCALE: 1/8" = 1'-0"

TRACY APARTMENTS
 GRANT LINE ROAD

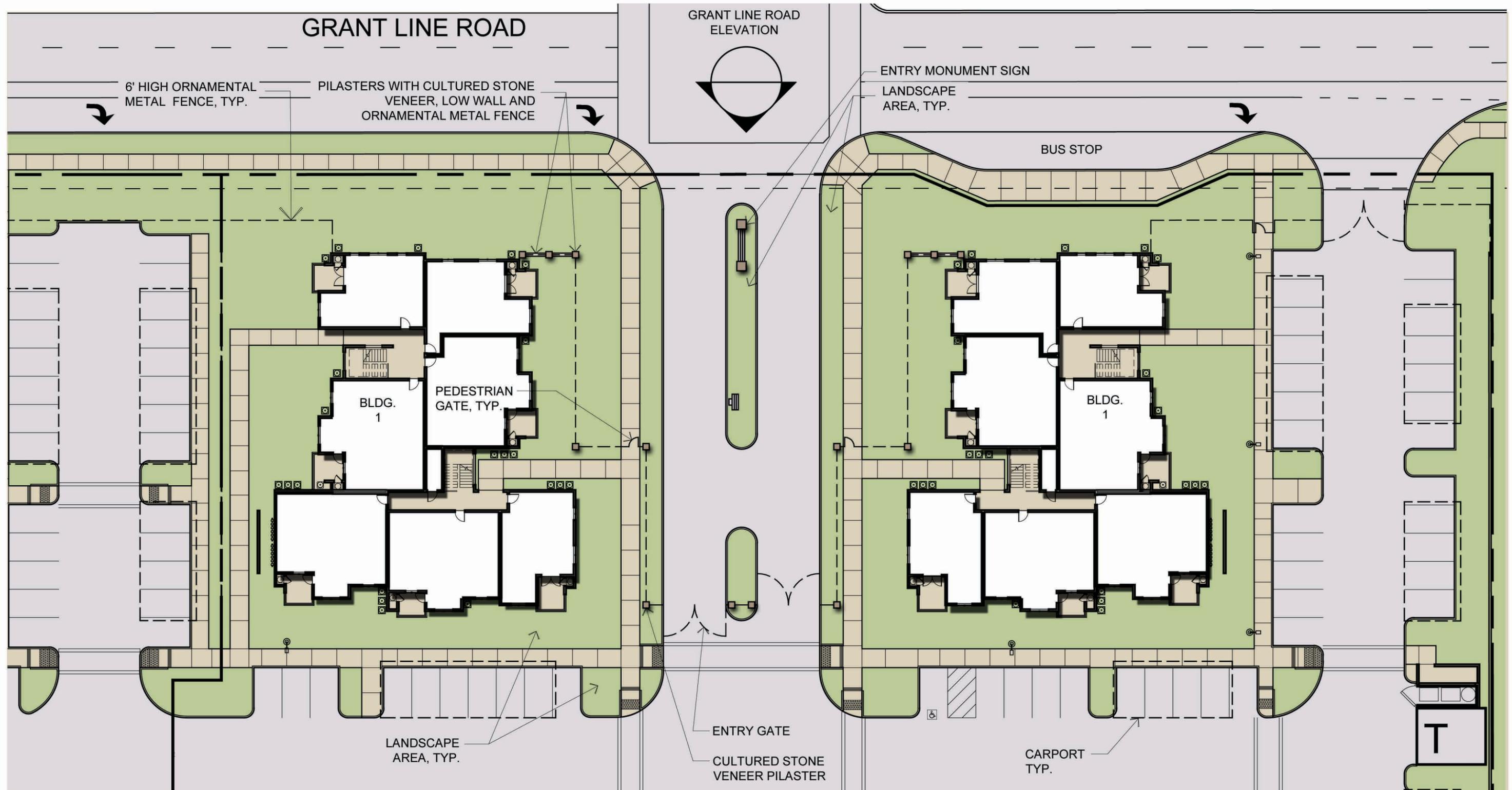
TRACY, CALIFORNIA

GRANT LINE ROAD
STREET ELEVATION

DATE: 09.30.2014
 PROJECT NO: 1183-0001
 SCALE: 1" = 50'
 SHEET: A1.01

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TRACY APARTMENTS AT GRANT LINE ROAD

TRACY, CA

GRANT LINE ROAD - SITE PLAN ENTRY EXHIBIT

DATE: 09.30.2014
PROJECT NO: 1183-0001
SCALE:
SHEET:



LPAS

2484 Natomas Park Drive Suite 100 Sacramento CA 95833
916 443 0335 lpasdesign.com Architecture + Design

RESOLUTION 2014-_____

APPROVING AN AMENDMENT TO THE I-205 CORRIDOR SPECIFIC PLAN (SPA14-0001), APPROVING A PLANNED UNIT DEVELOPMENT PRELIMINARY AND FINAL DEVELOPMENT PLAN (PUD14-0011), APPROVING AN OFF-STREET PARKING REDUCTION, AND APPROVING AN ADDENDUM TO THE FILIOS/DOBLER ANNEXATION AND DEVELOPMENT PROJECT ENVIRONMENTAL IMPACT REPORT FOR THE TRACY APARTMENTS AT GRANT LINE ROAD

WHEREAS, Applications were filed or initiated to amend the I-205 Corridor Specific Plan designation from General Commercial to High Density Residential (HDR); approve a Planned Unit Development Preliminary and Final Development Plan for a 441-unit residential apartment complex; and to approve an off-street parking reduction to allow 1.8 parking spaces per dwelling unit, collectively, the "Project," and

WHEREAS, The approximately 22.04-acre subject property is located on the south side of Grant Line Road, north of the Union Pacific Railroad tracks, east of Byron Road and approximately 600 feet west of Lammers Road, (Assessor's Parcel Numbers 209-270-30, and 31), and

WHEREAS, In addition to retail, office, and other commercial land uses, the General Plan's Commercial land use designation for the Project site provides for residential development in the density range permitted in the Residential High designation (12.1 to 25 dwelling units per gross acre), and

WHEREAS, The Project includes a request to amend the I-205 Corridor Specific Plan designation of the site to High Density Residential in order support the proposed residential land use of this Project, and

WHEREAS, The subject property is well suited for high density residential development because of its close proximity to a grocery store, retail and consumer services (along Grant Line Road, to the east of the Project site), employment opportunities in the area, availability of public services to the Project site, and convenient access to I-205, and

WHEREAS, The Project promotes a compact development pattern, minimizes consumption of open space lands and resources, and provides for high-density housing opportunities which assist the City in achieving housing goals established in the City's General Plan Housing Element, and

WHEREAS, The Project is consistent with General Plan Housing Element Goals and Policies, including Policy 3.1 ("Provide for a range of residential densities and products, including ... higher-density apartments"), and

WHEREAS, The Filios/Dobler Annexation and Development Project EIR (SCH#2010072043) was certified on November 11, 2011, by the Tracy City Council, and resulted in annexation of approximately 43 acres of unincorporated land to the City, amended the City General Plan land use designation of the site from Urban Reserve 2 (UR-2) to Commercial, and amended the I-205 Corridor Specific Plan to add the site to the Specific Plan area and designate the annexed lands General Commercial (GC), and

WHEREAS, The City Council conducted a public hearing to receive public input and review the Project on October 7, 2014, and

WHEREAS, The Project is a revision to the Filios/Dobler Annexation and Development Project EIR and therefore, an Addendum to the Filios/Dobler EIR has been prepared in accordance with California Environmental Quality Act (CEQA) Guidelines Section 15164 and is proposed for approval, and

WHEREAS, The Planning Commission conducted a public hearing on August 27, 2014, and recommended the City Council approve the Project;

NOW, THEREFORE, BE IT RESOLVED, by the City Council as follows:

1. Addendum to the Filios/Dobler Annexation and Development EIR

a. The Filios Dobler EIR, which addressed environmental impacts from development of the Project site, was certified by the City Council on November 11, 2011.

b. In accordance with CEQA Guidelines Section 15164, a lead agency shall prepare an Addendum to a previously certified EIR if some changes or additions are necessary but none of the conditions described in Guidelines Section 15162 calling for the preparation of a Subsequent EIR (summarized in the attached Addendum, Exhibit 1) have occurred.

c. The Filios/Dobler EIR Addendum (Exhibit 1) concludes that no new significant impacts would result, and no substantial increase in the severity of impacts from those previously identified in the EIR would occur.

d. The City Council approves the Filios/Dobler EIR Addendum, Exhibit 1.

2. I-205 Corridor Specific Plan Amendment (Application Number SPA14-0001)

a. The Specific Plan amendment is consistent with the General Plan, because the permitted uses of the Specific Plan's High Density Residential designation are allowed within the General Plan designation of Residential High and are consistent with goals and policies of the Housing Element. Also, the Specific Plan's Design Standards and Guidelines, particularly related to siting requirements (site planning, architecture, and parking) and design standards (transitions/edges, commercial interface, auxiliary site features, fencing and walls) are consistent with Land Use and Community Character Element goals and policies.

b. The General Plan identifies apartments, specifically, among the "characteristic housing" for property designated Residential High, in the density range from 12.1 to 25 units per gross acre. The Specific Plan is consistent with the General Plan in that it, too, identifies apartments (and other similar uses as the General Plan) as permitted uses in the High Density Residential Designation.

c. The project site is subject to development impact fees and other infrastructure mitigation requirements to mitigate the Project's fair share of infrastructure costs required by the City's infrastructure master plans.

d. The City Council approves the Specific Plan amendment to change the designation of the approximately 22.04-acre site (including APNs 209-270-30, and 31) from General Commercial to High Density Residential.

3. Planned Unit Development Preliminary and Final Development Plan (Application Number PUD14-0011)

a. The Project includes site plan and design elements consistent with City design goals and standards, such as placement of buildings close to the public street to create an inviting, pedestrian-oriented environment; and compliance with all City standards, including number and design of parking spaces, circulation, land use, and landscaping.

b. The Project is consistent with Specific Plan architecture Design Standards and Guidelines. The architecture incorporates elements such as variation in texture, materials, and the building facades include relief to avoid monotonous appearance. Building elevations facing streets have windows and other architectural features. Stairwells are covered and integrated into overall building design and private spaces (patios and balconies) are included for each unit.

c. The City Council approves the Project Planned Unit Development Preliminary and Final Development Plan of the approximately 20.04-acre site (including APNs 209-270-30 and 31), subject to conditions contained in Exhibit 2.

4. Off-Street Parking Reduction

a. The property owner submitted a parking study documenting that 89 of the project's 885 off-street parking spaces will not be necessary to mitigate the potential parking demands of the project.

b. The parking study contains a survey of 16 existing multi-family projects in the Central/Northern California area containing an average parking ratio of 1.56 spaces per dwelling unit.

c. The Project is constructing a City bus shelter along Grant Line Road (in front of the Project), and will be within walking distance to shopping along Grant Line Road (shopping centers to the east), and no other off-street parking space reductions are approved or anticipated within the vicinity of this project

d. The City Council approves an Off- Street Parking Space Reduction of 1.8 parking spaces per dwelling unit for this project.

* * * * *

The foregoing Resolution 2014-_____ was adopted by the City Council on the 7th day of October, 2014, by the following vote:

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

MAYOR

ATTEST:

INTERIM CITY CLERK

- Exhibit 1 – Addendum to the Filios/Dobler Annexation and
Development Project
- Exhibit 2 – Project Conditions of Approval

ADDENDUM TO THE FILIOS/DOBLER
ANNEXATION AND DEVELOPMENT PROJECT EIR

FOR THE

TRACY APARTMENTS AT GRANT LINE ROAD PROJECT

STATE CLEARINGHOUSE # 2010072043

JULY 2014

Prepared for:

City of Tracy
Department of Development Services
333 Civic Center Plaza
Tracy, CA 95676

Prepared by:

De Novo Planning Group
1020 Suncast Lane, Suite 106
El Dorado Hills, CA
(916) 949-3231

D e N o v o P l a n n i n g G r o u p

A Land Use Planning, Design, and Environmental Firm

ADDENDUM TO THE FILIOS/DOBLER ANNEXATION AND
DEVELOPMENT PROJECT EIR

FOR THE

TRACY APARTMENTS AT GRANT LINE ROAD PROJECT

State Clearinghouse # 2010072043

JULY 2014

Prepared for:

City of Tracy
Department of Development Services
333 Civic Center Plaza
Tracy, CA 95676

Prepared by:

De Novo Planning Group
1020 Suncoast Lane, Suite 106
El Dorado Hills, CA
(916) 949-3231

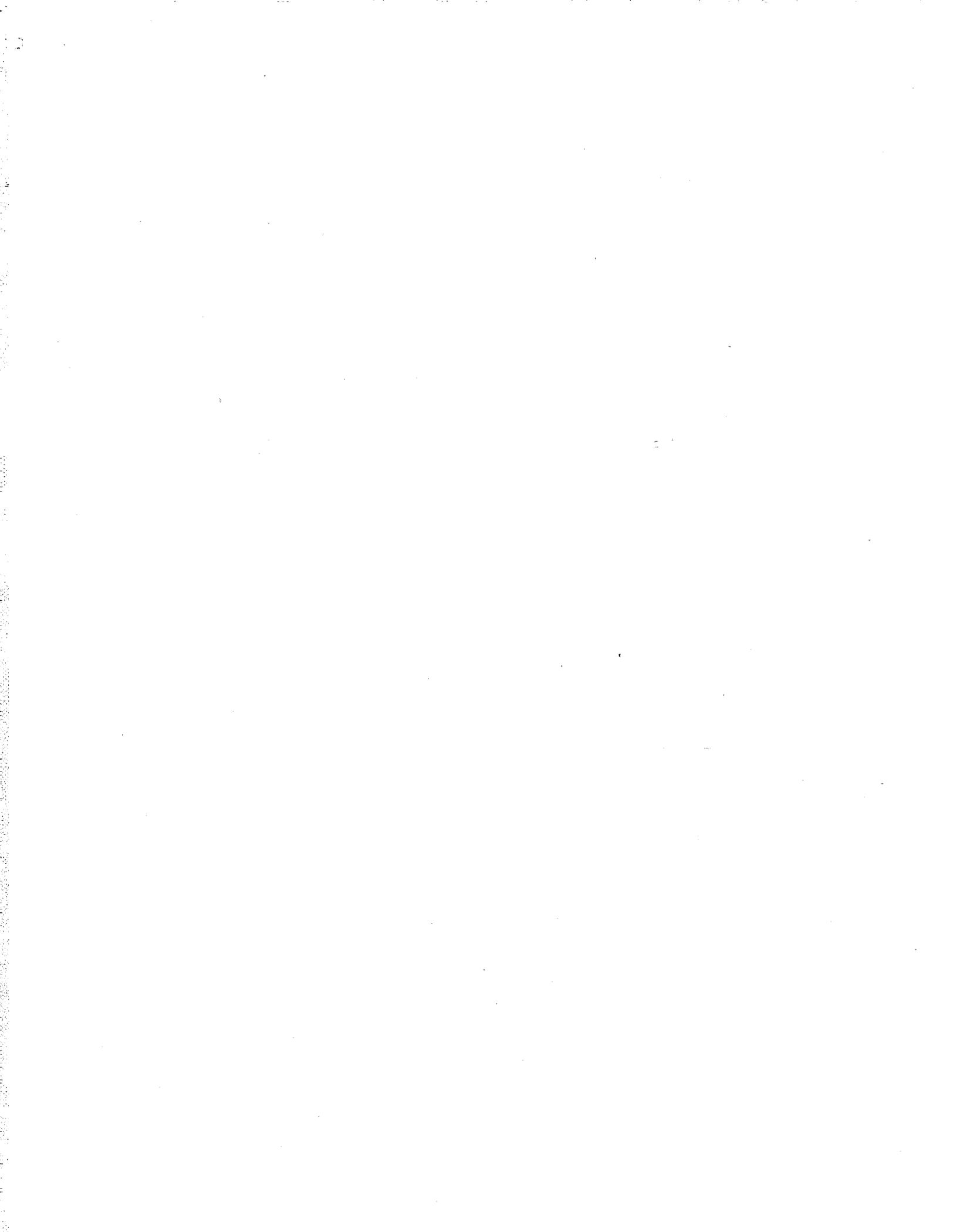


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1.0 INTRODUCTION

This Addendum was prepared in accordance with the California Environmental Quality Act (CEQA) and the CEQA Guidelines. This document has been prepared to serve as an Addendum to the previously certified EIR (State Clearinghouse Number 2010072043) for the Filios/Dobler Annexation and Development Project (Original Project). The City of Tracy is the lead agency for the environmental review of the proposed Project modifications (Modified Project).

This Addendum addresses the proposed modifications in relation to the previous environmental review prepared for the Filios/Dobler Annexation and Development Project. CEQA Guidelines Section 15164 defines an Addendum as:

The lead agency or responsible agency shall prepare an addendum to a previously certified EIR if some changes or additions are necessary but none of the conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred.

....A brief explanation of the decision not to prepare a subsequent EIR pursuant to Section 15162 should be included in an addendum to an EIR, the lead agency's findings on the project, or elsewhere in the record.

Information and technical analyses from the Filios/Dobler Annexation and Development Project EIR are utilized throughout this Addendum. Relevant passages from this document (consisting of the Filios/Dobler Annexation and Development Project EIR) are cited and available for review at:

City of Tracy
Development Services Department
333 Civic Center Plaza, Tracy, CA 95376
Alan Bell, AICP, Senior Planner
<http://www.ci.tracy.ca.us/?navId=595>

1.1 BACKGROUND AND PURPOSE OF THE EIR ADDENDUM

The Filios/Dobler Annexation and Development Project EIR (SCH #2010072043) was certified on November 11, 2011 by the Tracy City Council. The Filios/Dobler Annexation and Development Project annexed approximately 43 acres of unincorporated land to the City; amended the City General Plan land use designation of the site from Urban Reserve 2 (UR 2) to Commercial; amended the I-205 Corridor Specific Plan to add the site to the Specific Plan area, and designated it General Commercial (GC); and Prezoned the site Planned Unit Development (PUD). In addition, the Filios/Dobler Annexation and Development Project EIR included analysis of up to 466,000 square feet of commercial/office uses to be built on the site. The Filios/Dobler Annexation and Development Project is referred to as the "Original Project" in this EIR Addendum.

Since certification of the EIR, annexation of the site into the City of Tracy, and approval of the General Plan and Specific Plan amendments identified above, a detailed site plan and development proposal for the construction of 441 multi-family housing units has been submitted to the City of Tracy. This development project is known as the Tracy Apartments at Grant Line Road Project (Tracy Apartments Project, Modified Project, or Project). The 441 proposed multi-family housing units within the Project would be located on approximately 20 acres of the approximately 43-acre site addressed in the Filios/Dobler Annexation and Development Project EIR. The Project includes two parcels: APNs 209-270-30 and 209-270-31. Approval of the proposed Project, which is

**EIR ADDENDUM – TRACY APARTMENTS AT GRANT LINE ROAD PROJECT, FILIOS/DOBLER
ANNEXATION EIR**

described in greater detail under Section 2.0 below, would include an amendment to the I-205 Corridor Specific Plan from General Commercial to High Density Residential, and approve the development plan for the Project. A General Plan Amendment will not be included because high density residential development (12.1 to 25 units per acre) is allowed in the Commercial General Plan designation.

In addition to the two parcels encompassed by the Tracy Apartments Project site, two additional parcels (known as the Maibes property) totaling 2.18 acres (APNs 209-270-10 and 209-270-11), extending west of the Tracy Apartments properties to the intersection of Grant Line Road and Byron Road, are included in the project description for this EIR Addendum. While no development is proposed at this time on this additional 2.18 acres, the City anticipates including the Maibes property in the I-205 Corridor Specific Plan amendment action, changing the General Commercial designation to High Density Residential. For the purposes of this EIR Addendum, the Maibes property is assumed for ultimate development of multi-family residential housing at a density comparable to the Tracy Apartments Project.

In determining whether an Addendum is the appropriate document to analyze the proposed modifications to the project and its approval, CEQA Guidelines Section 15164 (Addendum to an EIR or Negative Declaration) states:

- a) *The lead agency or a responsible agency shall prepare an addendum to a previously certified EIR if some changes or additions are necessary but none of the conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred.*
- b) *An addendum to an adopted negative declaration may be prepared if only minor technical changes or additions are necessary or none of the conditions described in Section 15162 calling for the preparation of a subsequent EIR or negative declaration have occurred.*
- c) *An addendum need not be circulated for public review but can be included in or attached to the final EIR or adopted negative declaration.*
- d) *The decision-making body shall consider the addendum with the final EIR or adopted negative declaration prior to making a decision on the project.*
- e) *A brief explanation of the decision not to prepare a subsequent EIR pursuant to Section 15162 should be included in an addendum to an EIR, the lead agency's required findings on the project, or elsewhere in the record. The explanation must be supported by substantial evidence.*

1.2 BASIS FOR DECISION TO PREPARE AN ADDENDUM

When an environmental impact report has been certified for a project, Public Resources Code Section 21166 and CEQA Guidelines Sections 15162 and 15164 set forth the criteria for determining whether a subsequent EIR, subsequent negative declaration, addendum, or no further documentation be prepared in support of further agency action on the project. Under these Guidelines, a subsequent EIR or negative declaration shall be prepared if any of the following criteria are met:

**EIR ADDENDUM – TRACY APARTMENTS AT GRANT LINE ROAD PROJECT, FILIOS/DOBLER
ANNEXATION EIR**

- (a) *When an EIR has been certified or negative declaration adopted for a project, no subsequent EIR shall be prepared for that project unless the lead agency determines, on the basis of substantial evidence in the light of the whole record, one or more of the following:*
- (1) *Substantial changes are proposed in the project which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;*
 - (2) *Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or*
 - (3) *New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete or the negative declaration was adopted, shows any of the following:*
 - (A) *The project will have one or more significant effects not discussed in the previous EIR or negative declaration;*
 - (B) *Significant effects previously examined will be substantially more severe than shown in the previous EIR;*
 - (C) *Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or*
 - (D) *Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.*
- (b) *If changes to a project or its circumstances occur or new information becomes available after adoption of a negative declaration, the lead agency shall prepare a subsequent EIR if required under subdivision (a). Otherwise the lead agency shall determine whether to prepare a subsequent negative declaration, and addendum, or no further documentation.*

As demonstrated in the environmental analysis provided in Section 3.0 (Environmental Analysis), the proposed changes do not meet the criteria for preparing a subsequent EIR or negative declaration. An addendum is appropriate here because, as explained in Section 3.0, none of the conditions calling for preparation of a subsequent EIR or negative declaration have occurred.

2.0 PROJECT DESCRIPTION

This section provides a detailed description of the proposed project. The reader is referred to Section 3.0 (Environmental Analysis) for the analysis of environmental effects of the proposed modifications in relation to the analysis contained in the previously certified Filios/Dobler Annexation and Development Project EIR (State Clearinghouse #2010072043).

2.1 PROJECT LOCATION

The project site is located in the northwest corner of the City of Tracy. The site is located immediately south of Grant Line Road, east of the intersection of Grant Line Road and Byron Road, north of the Union Pacific Rail Road (UPRR) tracks, and west of the Tracy Marketplace Shopping Center. The project's regional location is shown on Figure 1. The project site is shown on Figure 2.

2.2 SURROUNDING LAND USES

The project site is primarily surrounded by agricultural land and commercial uses, with some rural residential development sparsely scattered throughout the surrounding agricultural area. Agricultural land is located north of the project site, across Grant Line Road, and southwest of the site, across Byron Road. Vacant land lies between Byron Road and the agricultural land further to the southwest. Three residences are located northeast of Grant Line Road, at the intersection of Grant Line Road and Lammers Road, one residence is located southwest of Byron Road (northwest of the intersection of Byron Road and Von Sosten Road) and another residence is located west of the project site, west of the intersection of Grant Line Road and Byron Road. Commercial uses that are part of the Tracy Marketplace Shopping Center are located to the east. These uses include retail stores, such as WalMart and Costco, and restaurants, such as the Golden Corral Buffet and Grill. The Tracy Pavilion Shopping Center, another retail center, is located north of the Tracy Marketplace Shopping Center. The Tracy Pavilion Shopping Center contains several retail stores, including Home Depot and Marshalls. An auto mall is located north of the Tracy Pavilion Shopping Center and the West Valley Mall, a regional shopping center, is located just east of the auto mall. Other surrounding uses include Interstate 205 (I-205), which is generally south of the project site and the previously noted UPRR line that forms the southwestern site border.

2.3 SITE CHARACTERISTICS

The majority of the project site consists of predominantly flat land that until recently was in active agricultural production for hay. There are three single-family residences and their associated accessory structures, as well as a welding shop located along the Grant Line Road frontage. Various ornamental landscaping surrounds the residences and the welding shop. A Pacific Gas and Electric (PG&E) easement containing two power transmission lines and an underground natural gas pipeline are located in the southeastern tip of the project site. Additionally, a 60' wide Sierra & SF Power Co. easement is located on the property along the Grant Line Road frontage. The Hansen Sewer easement, containing a 30-inch diameter vylon close profile sewer pipe, is located along the PG&E easement in the southeastern tip of the project site.

2.4 PROJECT CHARACTERISTICS AND DESCRIPTION

The proposed project would modify the approved Filios/Dobler Annexation and Development Project to allow for high-density residential uses on approximately 22.18 acres, roughly the western half within the 43-acre Filios/Dobler site, as shown on Figure 2.

As shown on Figure 3, a detailed site plan has been prepared and submitted for approval on approximately 20 acres of the 22.18-acre project site. A total of 441 multi-family housing units are proposed within the Project site, and an estimated additional 48 multi-family units would be located immediately west of the Tracy Apartments Project site, on the two parcels totaling approximately 2.18 acres, known as the Maibes Property (see Figure 2). The proposed project analyzed in this EIR Addendum therefore includes up to 489 total multi-family housing units.

TRACY APARTMENTS AT GRANT LINE ROAD PROJECT (MODIFIED PROJECT)

The proposed 441 unit apartment project occupies 2 parcels containing approximately 20.1 acres along Grant Line Road in the easternmost triangle of the I-205 Specific Plan in Tracy, CA. The project would contain a mix of one, two and three-bedroom units, with adaptable ground floor units to allow for accessibility. The overall density is approximately 22.4 units per acre, and the maximum building height is three stories. The project would provide approximately 806 parking spaces with a combination of surface parking, carports, and garages distributed throughout the site, providing a minimum of one covered space per unit.

Other project features would include common areas, totaling approximately 86,500 square feet, two 5,000 square foot clubhouse buildings, two swimming pools and associated restrooms and pavilion areas, two maintenance buildings totaling 3,150 square feet, and miscellaneous landscaping and open space areas. The project is proposed to be built in two phases, with 210 units built in Phase I on the east half of the site, and 231 units built in Phase II on the west half of the site.

A combination of six-foot tall masonry block walls and six-foot tall decorative metal fences are proposed along the western, southwestern and eastern edges of the project site. Garages are proposed along the interior southwestern edge of the project site.

Access to the site would be provided via four driveways along the northern boundary of the site, providing access to and from Grant Line Road.

The Project would be served by 8-inch diameter on-site water mains, connected to: (1) an extension of the existing 16-inch diameter water main located on Grant Line Road, and (2) an extension of the existing 12-inch diameter water main located on South Lammers Road. Extensions of these pipelines in Grant Line Road and onto Byron Road to the west were identified in the 2012 Citywide Water System Master Plan (Master Plan), and their associated costs were included in the City's adopted development impact fees. It should be noted that both of these water mains would need to be further extended to the west as other projects located west of this Project develop. The proposed connections to these two existing water mains provides for a looped connection of the Project to the City's Pressure Zone 1 water distribution system.

The Project would initially connect to the Hansen sewer line to provide connectivity to the City's Wastewater Treatment Plant. Connection to the Hansen sewer line would be an interim connection point. The permanent wastewater connection point for the Project would be from the Project site

**EIR ADDENDUM – TRACY APARTMENTS AT GRANT LINE ROAD PROJECT, FILIOS/DOBLER
ANNEXATION EIR**

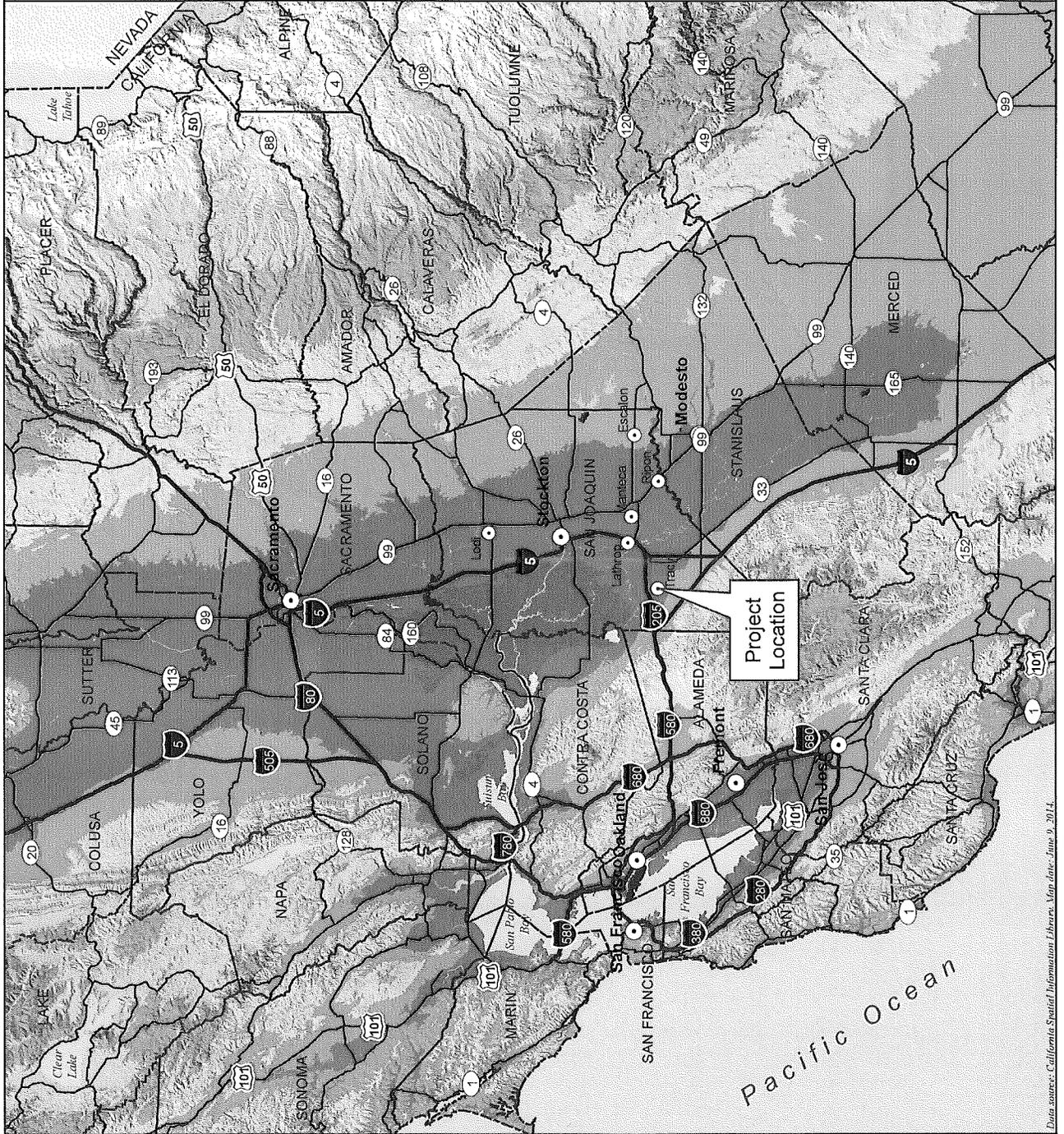
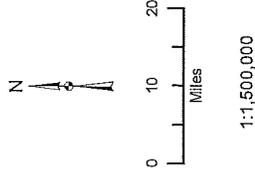
to the future sewer line in the Lammers Road Collection System, as shown in the Tracy Wastewater Master Plan.

MAIBES PROPERTY

This portion of the project site is assumed to include up to 48 multi-family residential units, with a maximum building height of three stories. There is no development plan submittal at this time for the Maibes property. Analysis of the Maibes property is included in this EIR Addendum at the direction of the City to ensure comprehensive planning and land use considerations. As such, a Specific Plan change from General Commercial to High Density Residential is being considered under this EIR Addendum, but any future development would be subject to submittal of a separate development application to develop the Maibes property. The proposed Tracy Apartments Project would be required to extend water, wastewater and storm drainage improvements to the adjacent Maibes property. These infrastructure lines would be stubbed at the western end of the Tracy Apartments Project site, and appropriately sized to provide for future development of the Maibes property.

GRANT LINE APARTMENTS PROJECT,
 FILIOS/DOBLER ANNEXATION
 EIR ADDENDUM

Figure 1: Regional Location Map



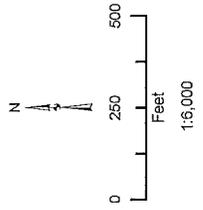
Data source: California Spatial Information Library. Map date: June 9, 2014.

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**GRANT LINE APARTMENTS PROJECT
FILIOS/DOBLER ANNEXATION EIR ADDENDUM**

Figure 2: Project Site



- Legend**
- Project Site
 - Filios/Dobler Annexation EIR Project Area
 - Parcels within Project Area

De Novo Planning Group
A Land Use Planning, Design, and Environmental Firm

Data sources: San Joaquin County GIS; ESRI StreetMap; North America; ArcGIS Online Imagery. Map date: June 9, 2014

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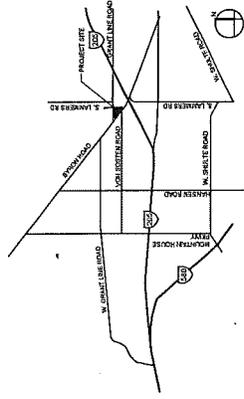
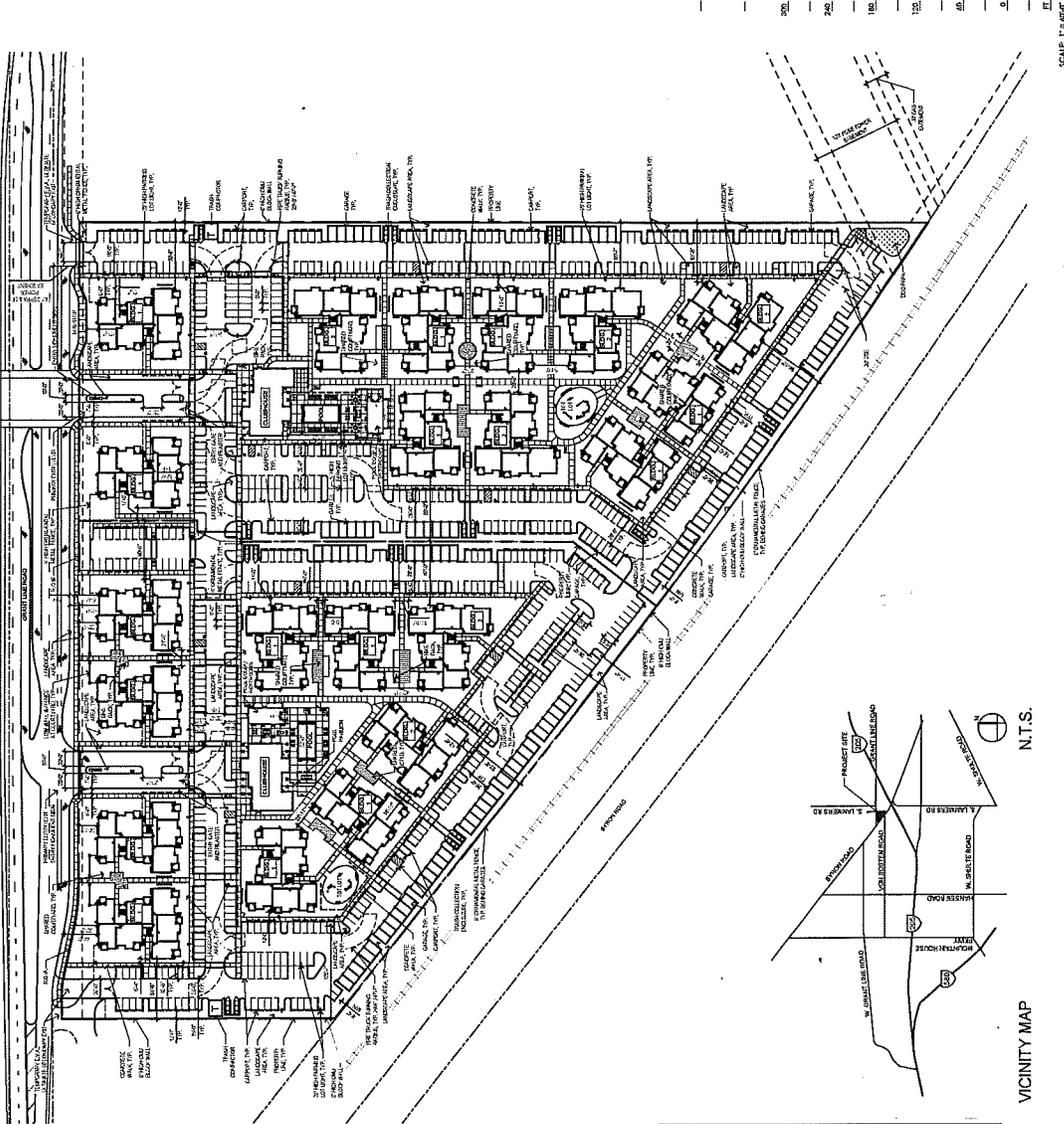
Tracy, Grant Line Road Apartments
 Date: 08.16.2014
 Project No.: 118C-0001
 Sheet: A1.00

Item	Description	Quantity	Unit	Value
1	Site Preparation	1	Lot	100,000
2	Foundation	100	Sq. Ft.	200,000
3	Structural Steel	100	Sq. Ft.	400,000
4	Interior Finishes	100	Sq. Ft.	300,000
5	Exterior Finishes	100	Sq. Ft.	100,000
6	MEP Installation	100	Sq. Ft.	150,000
7	Landscaping	100	Sq. Ft.	50,000
8	Construction Management	1	Project	100,000
9	Permitting	1	Project	50,000
10	Professional Fees	1	Project	100,000
11	Contingency	1	Project	100,000
12	Construction	1	Project	1,000,000
13	Construction	1	Project	1,000,000
14	Construction	1	Project	1,000,000
15	Construction	1	Project	1,000,000
16	Construction	1	Project	1,000,000
17	Construction	1	Project	1,000,000
18	Construction	1	Project	1,000,000
19	Construction	1	Project	1,000,000
20	Construction	1	Project	1,000,000
21	Construction	1	Project	1,000,000
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23	Construction	1	Project	1,000,000
24	Construction	1	Project	1,000,000
25	Construction	1	Project	1,000,000
26	Construction	1	Project	1,000,000
27	Construction	1	Project	1,000,000
28	Construction	1	Project	1,000,000
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96	Construction	1	Project	1,000,000
97	Construction	1	Project	1,000,000
98	Construction	1	Project	1,000,000
99	Construction	1	Project	1,000,000
100	Construction	1	Project	1,000,000

Item	Description	Quantity	Unit	Value
101	Construction	1	Project	1,000,000
102	Construction	1	Project	1,000,000
103	Construction	1	Project	1,000,000
104	Construction	1	Project	1,000,000
105	Construction	1	Project	1,000,000
106	Construction	1	Project	1,000,000
107	Construction	1	Project	1,000,000
108	Construction	1	Project	1,000,000
109	Construction	1	Project	1,000,000
110	Construction	1	Project	1,000,000
111	Construction	1	Project	1,000,000
112	Construction	1	Project	1,000,000
113	Construction	1	Project	1,000,000
114	Construction	1	Project	1,000,000
115	Construction	1	Project	1,000,000
116	Construction	1	Project	1,000,000
117	Construction	1	Project	1,000,000
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121	Construction	1	Project	1,000,000
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130	Construction	1	Project	1,000,000
131	Construction	1	Project	1,000,000
132	Construction	1	Project	1,000,000
133	Construction	1	Project	1,000,000
134	Construction	1	Project	1,000,000
135	Construction	1	Project	1,000,000
136	Construction	1	Project	1,000,000
137	Construction	1	Project	1,000,000
138	Construction	1	Project	1,000,000
139	Construction	1	Project	1,000,000
140	Construction	1	Project	1,000,000
141	Construction	1	Project	1,000,000
142	Construction	1	Project	1,000,000
143	Construction	1	Project	1,000,000
144	Construction	1	Project	1,000,000
145	Construction	1	Project	1,000,000
146	Construction	1	Project	1,000,000
147	Construction	1	Project	1,000,000
148	Construction	1	Project	1,000,000
149	Construction	1	Project	1,000,000
150	Construction	1	Project	1,000,000

PROJECT DATA

TRACY APARTMENTS
 GRANT LINE ROAD
 TRACY, CALIFORNIA



VICINITY MAP

FIGURE 3: OVERALL SITE PLAN

DATE: 08.16.2014
 PROJECT NO.: 118C-0001
 SCALE: 1" = 40'-0"
 SHEET: A1.00

LPAS
 L.P. Associates, Inc.
 1000 Alameda Street, Suite 100, Sacramento, CA 95833
 (916) 441-1111

3.0 ENVIRONMENTAL ANALYSIS

This section of the Addendum provides analysis and cites substantial evidence that support's the City's determination that the proposed modifications to the Filios/Dobler Annexation and Development Project do not meet the criteria for preparing a subsequent or supplemental EIR under CEQA Guidelines Section 15162.

As addressed in the analysis below, the proposed modifications to the Filios/Dobler Annexation and Development Project are not substantial changes to the originally anticipated project. The proposed modifications to the Filios/Dobler Annexation and Development Project would not cause a new significant impact or substantially increase the severity of a previously identified significant impact from the Final EIR (CEQA Guidelines Section 15162[a][1]) that would require major revisions to the EIR. All impacts would be nearly equivalent to the impacts previously analyzed in the Final EIR. Relatedly, the proposed modifications to the Filios/Dobler Annexation and Development Project are not inconsistent with the General Plan, Zoning Ordinance, or adopted Mitigation Measures for this project.

The proposed changes do not cause a new significant impact or substantially increase the severity of a previously identified significant impact, and there have been no other changes in the circumstances that meet this criterion (CEQA Guidelines Section 15162[a][2]). There have been no changes in the environmental conditions on the property not contemplated and analyzed in the EIR that would result in new or substantially more severe environmental impacts.

There is no new information of substantial importance (which was not known or could not have been known at the time of the application, that identifies: a new significant impact (condition "A" under CEQA Guidelines Section 15162[a][3]); a substantial increase in the severity of a previously identified significant impact (condition "B" CEQA Guidelines Section 15162[a][3]); mitigation measures or alternatives previously found infeasible that would now be feasible and would substantially reduce one or more significant effects; or mitigation measures or alternatives which are considerably different from those analyzed in the EIR which would substantially reduce one or more significant effects on the environment (conditions "C" and "D" CEQA Guidelines Section 15162[a][3]). The reader is referred to City Resolution No. 2011-210 regarding findings on the feasibility of alternatives evaluated in the EIR. None of the "new information" conditions listed in the CEQA Guidelines Section 15162[a][3] are present here to trigger the need for a Subsequent or Supplemental EIR.

CEQA Guidelines Section 15164 states that "The lead agency or a responsible agency shall prepare an addendum to a previously certified EIR if some changes or additions are necessary but none of the conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred." An addendum is appropriate here because, as explained above, none of the conditions calling for preparation of a subsequent EIR have occurred.

The following includes a detailed discussion of applicable impacts identified under the EIR in relation to the Filios/Dobler Annexation and Development Project. All impacts identified under the EIR have been determined to be less than significant, less than significant with mitigation, or significant and unavoidable. The City adopted CEQA Findings of Fact relative to each impact (City Resolution NO. 2011-210) at the time the EIR was certified for the Filios/Dobler Annexation and

**EIR ADDENDUM – TRACY APARTMENTS AT GRANT LINE ROAD PROJECT, FILIOS/DOBLER
ANNEXATION EIR**

Development Project. Additionally, the City adopted Statement of Overriding Considerations relative to each significant and unavoidable impact (City Resolution No 2011-210) at the time the EIR was certified for the Filios/Dobler Annexation and Development Project. Mitigation measures that were identified in the EIR for the purpose of lessening an impact to the extent feasible are embodied in a Mitigation Monitoring and Reporting Program that the City adopted at the time the EIR was certified (City Resolution No 2011-210).

The table below identifies the environmental topics addressed in the EIR, provides a summary of impacts associated with the Original Project, as described in the EIR, and includes an analysis of the potential impacts associated with the Modified Project when compared to the Original Project.

TABLE 1: COMPARISON OF APPROVED PROJECT IMPACTS AND MODIFIED PROJECT IMPACTS

Environmental Issues	Filios/Dobler Annexation Project Impacts	Tracy Apartments at Grant Line Road Project Impacts
<p><u>Aesthetics</u> a through d) <i>Would the project result in substantial adverse effects regarding a scenic vista, scenic resources, visual character, and light or glare?</i></p>	<p>The EIR identifies that Project construction would create temporary views of construction debris and construction-related activities, which may result in the degradation of character of the project area and affect the view of the site from nearby residences and passing motorists. This routine impact from typical, temporary construction activities would be short-term in duration and, therefore, result in a less than significant impact. With implementation of the standards and regulations required by the I-205 Corridor Specific Plan and the City's process for review of development applications, future development at the project site would be consistent with the existing commercial land uses in the area. Thus, impacts in this regard would be less than significant. In addition, the project would introduce new temporary construction-related and permanent sources of light and glare from street lights, building lights, security lights and parking lot lights. Mitigation identified in Section 4.3 (Aesthetics) would reduce this impact to less than significant.</p>	<p>The EIR found that the approved project would result in temporary Aesthetic impacts during the construction phase of the project. However, this impact is typical and short term in duration, thus results in a less than significant impact with implementation of mitigation measures required by the I-205 Corridor Specific Plan, and the City's review process.</p> <p>The proposed modifications to the Project are not substantial changes to the originally anticipated project relating to Aesthetics. The Modified Project does not designate any new sites for development that were not contemplated and analyzed for development in the EIR, and would not result in any changes to the location or footprint of development. Therefore, the Modified Project would not result in changes to development or development patterns that would further interfere with views of scenic resources, would not change views of or from scenic highways, and would not result in changes in development that would result in increased light or glare. The Modified Project would not result in any new potential aesthetic impacts and would not increase the significance of any aesthetic impacts. Mitigation Measures identified in Section 4.3 (Aesthetics) for the originally anticipated (approved) project would be sufficient in addressing the requirements for the Modified Project. Additionally, the Modified Project is subject to the City of Tracy's development and design review criteria, which would ensure that the exterior facades of the proposed residential structures, landscaping, streetscape improvements and exterior lighting improvements are compatible with the surrounding land uses.</p>
<p><u>Agricultural and Forest Resources</u> a through e) <i>Would the project convert Farmland to non-agricultural use, conflict with existing agricultural</i></p>	<p>The EIR identifies that the Project would result in the conversion of approximately 43 acres of land designated Prime Farmland to non-agricultural use, which would be a significant and unavoidable impact. In addition, the proposed Project would result in a significant and unavoidable cumulative</p>	<p>The EIR found that the approved project would result in significant impacts to agricultural lands and agricultural resources. Implementation of the mitigation measures identified in the EIR would not reduce this impact to a less than significant level, given that the loss of agricultural land is a permanent condition. However the potential for conversion</p>

TABLE 1: COMPARISON OF APPROVED PROJECT IMPACTS AND MODIFIED PROJECT IMPACTS

Environmental Issues	Filios/Dobler Annexation Project Impacts	Tracy Apartments at Grant Line Road Project Impacts
<p><i>zoning or Williamson Act contracts, involve other changes that could convert farmland, or involve changes that could convert forest and timber resources to non-residential uses?</i></p>	<p>impact from the loss of agricultural land within San Joaquin County and the State. Proposed mitigation would not reduce impacts to less than significant. Future development of commercial and office uses on the Project site could conflict with adjacent agricultural land uses, leading to their indirect conversion to non-agricultural use. However, buffers created by Grant Line Road, the Union Pacific Railroad (UPRR) line and Byron Road would prevent and potential for the Project to indirectly convert adjacent agricultural land to non-agricultural use, resulting in a less than significant impact.</p>	<p>of adjacent agricultural lands to non-agricultural uses is less than significant, due to buffers created by Grant Line Road, the Union Pacific Railroad (UPRR) line and Byron Road.</p> <p>The proposed modifications to the Filios/Dobler Annexation and Development Project are not substantial changes to the originally anticipated project relating to agricultural and forest resources. Resources of this type are site specific, and the Modified Project does not designate any new sites for development, and would not result in any changes to the location or footprint of development contemplated in the EIR. The Modified Project would not result in any new potential impacts to agricultural and forest resources beyond those addressed in the EIR, and would not increase the severity of any impacts related to agricultural and forest Resources.</p>
<p><i>Air Quality a through e) Would the project conflict with or obstruct implementation of the applicable air quality plan, violate or contribute to violation of an air quality standard, result in a cumulatively considerable net increase of a non-attainment criteria pollutant, expose sensitive receptors to substantial pollutant concentrations, or create objectionable odors affecting a substantial number of people?</i></p>	<p>The EIR identifies the Project would result in potentially significant short-term increases in particulate (fugitive dust) and exhaust emissions that could be reduced to less than significant with implementation of mitigation measures identified in Section 4.5 (Air Quality). During the operational stage, traffic associated with the proposed Commercial/office uses would increase air pollution concentrations and exceed established thresholds. Mitigation identified in Section 4.5 would reduce air pollutant concentrations caused by Project traffic, but not to a less than significant level, resulting in a significant and unavoidable impact. The Project would not exceed established thresholds for carbon monoxide (CO) hotspots, odor or toxic air contaminants and related impacts would be less than significant. However, because the Project would exceed established thresholds for criteria pollutants even after the implementation of design features and recommended mitigation measures, it would result in a significant and unavoidable conflict with the applicable air quality attainment plan. Finally, the</p>	<p>Construction Emissions</p> <p>The EIR found that the Original Project would result in potentially significant construction-related air quality impacts. Construction of the Modified Project would have comparable construction-related air quality impacts. The San Joaquin Valley Air Pollution Control District's (SJVAPCD) approach to analysis of construction impacts is to require implementation of effective and comprehensive control measures, rather than to require detailed quantification of emission concentrations for modeling of direct impacts. PM10 emitted during construction can vary greatly depending on the level of activity, the specific operations taking place, the equipment being operated, local soils, weather conditions, and other factors, making quantification difficult. Despite this variability in emissions, experience has shown that there are a number of feasible control measures that can be reasonably implemented to significantly reduce PM10 emissions from construction activities. The SJVAPCD has determined that compliance with Regulation VIII for all sites and implementation of all other control measures indicated in Tables 6-2 and 6-3 of the <i>Guide for Assessing and</i></p>

EIR ADDENDUM – TRACY APARTMENTS AT GRANT LINE ROAD PROJECT, FILIOS/DOBLER ANNEXATION EIR

TABLE 1: COMPARISON OF APPROVED PROJECT IMPACTS AND MODIFIED PROJECT IMPACTS

Environmental Issues	Filiros/Dobler Annexation Project Impacts	Tracy Apartments at Grant Line Road Project Impacts
	<p>Project would result in a significant and unavoidable cumulative impact from increases in criteria air pollutants.</p>	<p><i>Mitigating Air Quality Impacts</i> (as appropriate) would constitute sufficient mitigation to reduce PM10 impacts to a level considered less than significant.</p> <p>Construction would result in numerous activities that would generate dust. The fine, silty soils in the project area and often strong afternoon winds exacerbate the potential for dust, particularly in the summer months. Grading, leveling, earthmoving and excavation are the activities that generate the most particulate emissions. Impacts would be localized and variable. Construction impacts would last for a period of several months. The initial phase of project construction would involve grading and leveling the project site and associated improvements such as parking area improvements and supporting underground infrastructure, such as water, sewer, and electrical lines.</p> <p>Construction activities that could generate dust and vehicle emissions are primarily related to grading and other ground-preparation activities in order to prepare the project site for the construction of the apartment units and parking areas.</p> <p>Control measures are required and enforced by the SJVAPCD under Regulation VIII. The SJVAPCD considers construction-related emissions from all projects in this region to be mitigated to a less than significant level if SJVAPCD-recommended PM10 fugitive dust rules and equipment exhaust emissions controls are implemented.</p> <p>Operational Emissions</p> <p>The EIR found that the Original Project would result in significant and unavoidable operational air quality emissions. The primary source of operational emissions from the Original Project are related to mobile source emissions, as shown in Table 4.5-4 of the EIR. The Modified Project would generate fewer vehicle trips than the Original Project, and as such, mobile source emissions would be reduced under the Modified Project. Operational emissions for the Modified</p>

EIR ADDENDUM – TRACY APARTMENTS AT GRANT LINE ROAD PROJECT, FILIOS/DOBLER ANNEXATION EIR

TABLE 1: COMPARISON OF APPROVED PROJECT IMPACTS AND MODIFIED PROJECT IMPACTS

Environmental Issues	Filios/Dobler Annexation Project Impacts	Tracy Apartments at Grant Line Road Project Impacts
<p><i>Biological Resources a through f) Would the project cause a substantial adverse effect on special-status species, sensitive habitat, federally protected wetlands, wildlife movement corridors, local policies and ordinances adopted to protect biological resources, and adopted habitat or conservation plan?</i></p>	<p>The EIR identifies that Project construction activities have the potential to disrupt the foraging activities of several special status bird species, including Swainson's hawk, burrowing owl, white-tailed kite, and loggerhead shrike, as well as SJMSCP covered species, the California horned lark. In addition, during the nesting season, Project construction could result in the incidental loss of fertile eggs or nestlings, or nest abandonment for Swainson's Hawk, burrowing owl, white-tailed kite, loggerhead shrike and the California horned lark, as well as, direct injury and-or mortality of burrowing owls, white tailed kite, loggerhead shrike and the California horned lark. Moreover, construction activities associated with the Project have the potential to result in the injury or mortality of individuals of several special-status bat species and the loss of one or more maternity colonies. Project construction also has the potential to result in San Joaquin kit fox injury or mortality. Construction activities have the potential to cause short-term noise impacts on nearby foraging and nesting Swainson's hawks and burrowing owls within and adjacent to the project site. In addition, development</p>	<p>Project were calculated using the CalEEMod (v.2013.2.2) computer program. The Modified Project would generate 5.35 tons/year of ROG, which is below the SJVAPCD threshold of 10 tons/year; 9.99 tons/year of NOx, which is below the SJVAPCD threshold of 10 tons/year; and 3.69 tons/year of PM10, which is below the SJVAPCD threshold of 15 tons/year. Detailed air quality emissions calculations are provided in Appendix A.</p> <p>The Modified Project would not result in any new potential impacts related to air quality beyond those addressed in the EIR, and would not increase the severity of any impacts related to air quality.</p> <p>The EIR found that the approved project would result in less than significant Biological Resources impacts with mitigation measures implemented.</p> <p>The proposed modifications to the Filios/Dobler Annexation and Development Project are not substantial changes to the originally anticipated project relating to Biological Resources. The Modified Project does not designate any new sites for development and would not result in any changes to the location or footprint of development. Due to the site-specific nature of biological resources, the Modified Project would not result in new impacts or cause increases in the severity of previously identified impacts to biological resources when compared to the approved project. The Modified Project would not result in changes to development that would have an adverse effect on special-status species, resulting in impacts to sensitive habitats, including foraging areas, or wildlife movement corridors, and would not interfere to a greater extent with local policies, ordinances, or plans adopted relating to biological resources. Biological Resources mitigation measures identified for the originally anticipated (approved) project would be sufficient in addressing the requirements for the Modified Project.</p>

EIR ADDENDUM – TRACY APARTMENTS AT GRANT LINE ROAD PROJECT, FILIOS/DOBLER ANNEXATION EIR

TABLE 1: COMPARISON OF APPROVED PROJECT IMPACTS AND MODIFIED PROJECT IMPACTS

Environmental Issues	Filios/Dobler Annexation Project Impacts	Tracy Apartments at Grant Line Road Project Impacts
<p><u>Cultural Resources</u> <i>a through d) Would the project cause a substantial adverse change in the significance of a historical, archaeological, paleontological, or geologic resource or disturb human remains?</i></p>	<p>of the Project site with the proposed commercial/office uses would result in the loss of burrowing owl habitat, Swainson's hawk foraging habitat, and potential foraging and refuge habitat for the San Joaquin kit fox. Mitigation identified in Section 4.7 (Biological Resources) requiring compensation for the loss of habitat and its conversion to urban uses, would fulfill the mitigation requirements of the SJMSCP and reduce impacts to less than significant. In addition, the Project would result in a less than significant impact due to the loss of regionally abundant vegetation types and would be unlikely to spread or introduce invasive plant and animal species resulting in less than significant impacts in this regard.</p>	
	<p>The EIR identifies that Project construction activities could expose potentially significant unrecorded cultural resources, including human remains, resulting in their damage or destruction. Mitigation measures identified in Section 4.8 (Cultural Resources) would reduce this potentially significant impact to less than significant.</p>	<p>The EIR found that the approved project would result in less-than significant Cultural Resources impacts when mitigation measures are implemented.</p> <p>The proposed modifications to the Filios/Dobler Annexation and Development Project are not substantial changes to the originally anticipated project related to cultural resources. Due to the site-specific nature of cultural resources, the Modified Project would cause no increases in severity to cultural resources when compared to the approved project. The Modified Project does not designate any new sites for development and would not result in any substantial changes to the construction methods, location or footprint of development. The Modified Project would not result in any changes to potential development that would change potential impacts associated with the disturbance of historical, archaeological, paleontological, or geologic resources. The Modified Project would also not result in any changes that would change the potential to disturb human remains. The Modified Project would not result in any new potential impacts to cultural resources and would not</p>

EIR ADDENDUM – TRACY APARTMENTS AT GRANT LINE ROAD PROJECT, FILIOS/DOBLER ANNEXATION EIR

TABLE 1: COMPARISON OF APPROVED PROJECT IMPACTS AND MODIFIED PROJECT IMPACTS

Environmental Issues	Filios/Dobler Annexation Project Impacts	Tracy Apartments at Grant Line Road Project Impacts
<p><i>Geology and Soils</i> <i>a through e) Would the project expose people or structures to potential substantial adverse effects associated with seismicity, geologic or soil instability, expansive soil, result in substantial soil erosion or loss, or have soils incapable of supporting septic or alternative wastewater disposal systems?</i></p>	<p>The EIR identifies that moderate ground shaking and secondary events such as liquefaction could threaten the integrity of the proposed commercial and office buildings and the safety of people present on the Project site. Future development of the Project site would involve vegetation removal and grading, which would expose soils and increase the potential for soil erosion from wind or stormwater runoff. Underlying Project soils have high liquefaction potential, which could damage the proposed commercial and office buildings during an earthquake. Finally, the expansive nature of the Project site soils could create severe structural damage and endanger occupants and visitors of the proposed commercial and office buildings. All these potentially significant impacts could be reduced to less than significant with the implementation of the requirements of the California Building Code and the implementation of mitigation measures identified in Section 4.9 (Geology and Soils).</p>	<p>increase the significance of any potential impacts to Cultural Resources. Cultural Resources mitigation identified for the originally anticipated (approved) project in Section 4.8 (Cultural Resources) would be sufficient in addressing the requirements for the Modified Project.</p> <p>The EIR found that the approved project would result in less-than significant Geology and Soils impacts when mitigation measures are implemented.</p> <p>The proposed modifications to the Filios/Dobler Annexation and Development Project are not substantial changes to the originally anticipated project relating to Geology and Soils. Due to the site-specific nature of geologic and soils impacts, the Modified Project would cause no increases in severity to these impacts when compared to the approved project. The Modified Project would not result in changes to development patterns and does not designate any new sites for development or result in any substantial changes to the construction methods, location, or footprint of development that would change the potential for development to be exposed to geologic and soil hazards. Therefore, the Modified Project would also not result in increased impacts associated with soil erosion or septic/alternative wastewater issues. Geology and Soils mitigation identified in Section 4.9 (Geology and Soils) for the originally anticipated (approved) project would be sufficient in addressing the requirements for the Modified Project.</p>
<p><u>Greenhouse Gases</u> <i>a and b) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment or conflict with a plan, policy or regulation reducing greenhouse gas emission?</i></p>	<p>As identified in section 4.6 (greenhouse Gas Emissions), Project design features and implementation of measures identifies in the City's Sustainability Action Plan would not reduce Project-related greenhouse gas (GHG) emissions below San Joaquin Valley Air Pollution Control District (SJVAPCD) criteria. Thus, impacts would be significant and unavoidable. In addition, the Project's cumulative impacts associated with GHG emissions</p>	<p>The EIR found that the Original Project would result in significant and unavoidable impacts related to greenhouse gases. As shown in Table 4.6-1 of the EIR, the Original Project would directly generate approximately 22,919 metric tons/year of CO₂e. As shown in Appendix A, the Modified Project would generate approximately 5,977 tons/year of CO₂e, which is a significant reduction when compared to the Original Project.</p>

EIR ADDENDUM – TRACY APARTMENTS AT GRANT LINE ROAD PROJECT, FILIOS/DOBLER ANNEXATION EIR

TABLE 1: COMPARISON OF APPROVED PROJECT IMPACTS AND MODIFIED PROJECT IMPACTS

Environmental Issues	Filios/Dobler Annexation Project Impacts	Tracy Apartments at Grant Line Road Project Impacts
<p><u>Hazards and Hazardous Materials</u> <i>a through h) Would the project create a significant hazard to the public or the environment through potential exposure to hazardous materials, wildland fires, or incidents associated with airplane facilities and uses, or conflict with implementation of plan adopted to address emergencies?</i></p>	<p>would be significant and unavoidable.</p> <p>The EIR identifies that the proposed Project has the potential to accidentally expose construction workers and occupants and visitors of the proposed commercial and office buildings to hazardous materials such as asbestos containing materials (ACMs) or lead-based paints (LBPs) from existing onsite uses, pesticide residues in the soil from past agricultural activities, and residual crude oil and Bunker C soil contamination caused by offsite oil pipeline leaks and diesel vapor intrusion from potentially contaminated groundwater. In addition, the Project may subject people or structures to a significant risk of loss, injury or death as a result of exposure to wildland fires. Compliance with all applicable federal and state laws related to the use, storage, disposal and transportation of hazardous materials would reduce the likelihood and severity of accidents during transit, resulting in a less than significant impact. In addition, the Project would not interfere with the implementation of emergency response plans and less than significant impacts would occur in this regard. All potentially significant impacts would be reduced to a less than significant level with implementation of mitigation measures identified in Section 4.10 (Hazards and Hazardous Materials).</p>	<p>The Modified Project would not result in any new potential impacts related to greenhouse gases and would not increase the significance of any potential impacts related to greenhouse gases.</p> <p>The EIR found that the approved project would result in less-than significant Hazards and Hazardous Materials impacts when mitigation measures are implemented.</p> <p>The proposed modifications to the Filios/Dobler Annexation and Development Project are not substantial changes to the originally anticipated project relating to Hazards and Hazardous Materials. The Modified Project would not result in changes to development patterns and does not designate any new sites for development or result in any substantial changes to the construction methods, location, or footprint of development that would change the potential for the development to be exposed to increased risk from Hazards and Hazardous Materials. Therefore, the Modified Project would not result in changes to development patterns or potential development that would create significant hazards associated with hazardous materials, wildland fires, airplane-related impacts, or conflicts with emergency response plans. The Modified Project would not result in any new potential impacts to Hazardous Materials and would not increase the significance of any impacts to Hazardous Materials. Mitigation measures identified in Section 4.10 (Hazards and Hazardous Materials) for the originally anticipated (approved) project would be sufficient in addressing the requirements for the Modified Project.</p>
<p><u>Hydrology and Water Quality</u> <i>a through j) Would the project result in adverse environmental effects</i></p>	<p>The EIR identifies that construction and operation of the proposed Project could degrade water quality within the Project area. However, future development on the Project site would be required to comply with state and local water quality</p>	<p>The EIR found that the approved project would result in less-than significant Hydrology and Water Quality impacts when mitigation measures are implemented.</p> <p>The proposed modifications to the Filios/Dobler Annexation and Development Project are not substantial changes to the</p>

TABLE 1: COMPARISON OF APPROVED PROJECT IMPACTS AND MODIFIED PROJECT IMPACTS

Environmental Issues	Filios/Dobler Annexation Project Impacts	Tracy Apartments at Grant Line Road Project Impacts
<p>associated with water quality, waste discharge, drainage patterns, groundwater supplies, runoff, flood hazards, or other hydrological hazards?</p>	<p>regulations, resulting in a less than significant impact in this regard. The proposed Project would increase the demand for groundwater, but it would not substantially deplete groundwater supplies, as the City has sufficient water supplies, including, groundwater sources, to serve the Project and the City's other existing and projected future water demands. In addition, the relatively large size of the groundwater basin in the Tracy area, the impervious surface and area added as a result of the Project would not adversely affect the recharge capabilities of the local groundwater basin. Thus, the Project would have less than significant impacts relating to groundwater supply and recharge. Future development would involve vegetation removal, grading and the construction of buildings, parking lots, sidewalks and driveways, which would alter existing drainage patterns and increase the potential for erosion and/or siltation. The Project would increase the amount of impervious surface onsite, which would change existing absorption rates, drainage patterns and the amount of stormwater runoff and could result in potential flooding on and offsite or exceed the capacity of existing or planning stormwater drainage systems. A combination of mitigation identified in Section 4.11 (Hydrology and Water Quality) and compliance with state and local policies and regulations would reduce these potentially significant impacts to less than significant.</p>	<p>originally anticipated project relating to Hydrology and Water Quality. The Modified Project would not result in changes to development patterns and does not designate any new sites for development or result in any substantial changes to the construction methods, location, or footprint of development that would change the potential for development to increase the significance of impacts, or risks related to Hydrology and water quality. The Project site is not located within the 100-year floodplain, and as such, the Modified Project would not place housing within the 100-year floodplain. The Modified Project would increase the demand for groundwater, but it would not substantially deplete groundwater supplies, as the City has sufficient water supplies, including, groundwater sources, to serve the Project and the City's other existing and projected future water demands. In addition, the relatively large size of the groundwater basin in the Tracy area, the impervious surface and area added as a result of the Project would not adversely affect the recharge capabilities of the local groundwater basin. Hydrology and Water Quality mitigation measures identified in Section 4.11 (Hydrology and Water Quality) for the originally anticipated (approved) project would be sufficient in addressing the requirements for the Modified Project.</p>
<p>Land Use and Planning a through c) Would the project physically divide an established community or conflict with any applicable land use plan, policy or</p>	<p>The EIR identifies the proposed Project could conflict with San Joaquin County Multi-Species Habitat Conservation Plan (SJMSCP) resulting in a potentially significant impact. Mitigation identified in Section 4.1 (Land Use Planning) requiring compensation for loss of habitat and its conversion to urban use, would</p>	<p>The EIR found that the approved project could result in a potentially significant land use impact due to the conflict with the SJMSCP. However mitigation measures identified in Section 4.1 (Land Use Planning) would reduce this impact to less than significant.</p>

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Environmental Issues	Filiros/Dobler Annexation Project Impacts	Tracy Apartments at Grant Line Road Project Impacts
<p><i>regulation adopted for purpose of avoiding or mitigating an environmental effect?</i></p>	<p>fulfill the mitigation requirements of the SJMSCP and reduce impacts to less than significant.</p>	<p>The proposed modifications to the Filiros/Dobler Annexation and Development Project are not substantial changes to the originally anticipated project relating to Land Use Planning.</p> <p>The Modified Project would not result in changes to development patterns and does not designate any new sites for development or result in any substantial changes to the construction methods, location, or footprint of development that would change the potential for development to increase the significance of impacts related to Land Use Planning.</p> <p>Although the Modified Project may increase residential development in the City, the Modified Project will be required to comply with applicable land use policies and the requirements of the SJMSCP to avoid or mitigate environmental effects. Furthermore, the Modified Project would not physically divide an established community, nor would it conflict with the City's current General Plan Land Use regulations, or the Growth Management Ordinance. The Modified Project includes an amendment to the I-205 Corridor Specific Plan from General Commercial to High Density Residential, and requires approval of a development plan for the Project. A General Plan Amendment is not required because high-density residential development (12.1 to 25 units per acre) is allowed in the Commercial General Plan designation. The proposed change in use from commercial to high-density residential would result in a less intense land use development pattern, generating fewer vehicle trips. The Modified Project would not result in land use impacts to adjacent uses, as described in greater detail throughout this Addendum. The Modified Project supports the underlying goals of the City's General Plan to promote a compact land use pattern on lands designated for urban development. The Modified Project also supports the City's General Plan goals of providing for a range of housing types and housing options within the City.</p> <p>Therefore, the Modified Project would not result in any new</p>

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Environmental Issues	Filios/Dobler Annexation Project Impacts	Tracy Apartments at Grant Line Road Project Impacts
<p><u>Mineral Resources</u> <i>a and b) Would the project result in the loss of availability of a known mineral resource or recovery site?</i></p>	<p>The EIR does not identify any significant impacts to mineral resources.</p>	<p>The EIR does not identify any significant impacts to mineral resources.</p> <p>The proposed modifications to the Filios/Dobler Annexation and Development Project are not substantial changes to the originally anticipated project relating to Mineral Resources. Resources of this type are site-specific, and the Modified Project does not designate any new sites for development and would not result in any changes to the location or footprint of development. Therefore, the Modified Project would not result in any further potential impacts related to Mineral Resources, and would not increase the significance of any impacts to Mineral Resources.</p>
<p><u>Noise</u> <i>a through f) Would the project result in noise levels in excess of standards, a substantial temporary, periodic, or permanent increase in ambient noise levels, or exposure to excessive noise associated with an airport or airstrip?</i></p>	<p>The EIR identifies that project construction would result in potentially significant temporary increases in noise. However, vibration associated with construction would be less than significant. During operation, noise from mechanical equipment and loading docks could exceed City standards for sensitive uses (resulting in a potentially significant impact). Parking lot and landscape maintenance noise was determined to be less than significant. Traffic noise from the Project would not exceed City standards in the near term or long term. Railroad noise would also not exceed City standards and related impacts would be less than significant. A combination of mitigation identified in section 4.12 (Noise) and compliance with City policies and regulations would reduce the Project's potential noise impacts to less than significant.</p>	<p>The EIR found that the Original Project could result in potentially significant noise impacts associated with construction activities.</p> <p>The Filios/Dobler Annexation EIR previously examined potential noise impacts associated with increased traffic noise at off-site receptors, noise associated with proposed commercial uses (loading docks, truck circulation, commercial HVAC, parking lots, landscape maintenance, etc.), and construction noise/vibration at existing sensitive receptors. Each of these impacts were found to be less than significant.</p> <p>An analysis of potential noise impacts associated with the Modified Project is contained in Appendix B. The Modified Project is predicted to generate less traffic than previously analyzed. Therefore, the increase in traffic noise associated with the Modified Project would be less than previously analyzed and no additional analysis is required.</p> <p>On-site noise generated by the Modified Project would be less</p>

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Environmental Issues	Filiros/Dobler Annexation Project Impacts	Tracy Apartments at Grant Line Road Project Impacts
		<p>than previously analyzed as no loading docks, truck circulation, or commercial HVAC equipment would be required for the Modified Project. Additionally, less traffic circulation would occur on this project site versus the previously analyzed land use. Therefore, no additional analysis on-site noise generation is required.</p> <p>It is expected that construction activities associated with the Modified Project would be less than or equal to the previously-analyzed project.</p> <p>The City of Tracy General Plan Noise Element establishes exterior and interior noise level limits for residential project. Policy 6 establishes a specific limit of 65 dB L_{dn} for outdoor activity areas of multi-family residential uses. However, if the primary noise source is train pass-bys, then the standard for outdoor noise levels in multi-family residential is increased to 70 dB L_{dn} (Policy 9). An interior noise level standard of 45 dB L_{dn} is also established for all residential uses under Policy 5.</p> <p>To quantify existing ambient noise levels in the vicinity of the project site, j.c. Brennan & Associates, Inc. staff conducted continuous 24-hour noise level measurements at two locations. See Figure 2 in Appendix B for noise measurement locations. The noise level measurements were conducted July 8-9, 2014. The noise level measurements were conducted to determine the existing traffic noise levels on the project site. Table 2 in Appendix B shows a summary of the noise measurement results.</p> <p>Railroad Noise Levels</p> <p>Based upon field observations the adjacent UPRR line does not appear to be in operation. Additionally, the Mountain House Master Plan EIR (San Joaquin County, July 2008) indicates that the line is a standby route with no contemplated use for freight movement. However, the Master Plan indicates that there has been discussion of using the line for commuter passenger service.</p>

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		<p>Because future use of the rail line could occur, the potential for noise impacts exists. However, it is difficult to provide an accurate assessment of railroad noise impacts without knowing the level of activity that could occur on the rail line.</p> <p>Assuming that 10 trains occurred daily and that each train generated a sound exposure level (SEL) of 100 dB at a distance of 100 feet from the railroad centerline, the day-night average (L_{dn}) noise level can be calculated using the following equation.</p> $L_{dn} = SEL + 10 \log N_{eq} - 49.4 \text{ dB, where:}$ <p>SEL is the measured SEL of the train event (100 dB at a distance of 100 feet), N_{eq} is the sum of the daytime (7 a.m. to 10 p.m.) train events plus 10 times the number of nighttime (10 p.m. to 7 a.m.) train events, and 49.4 is ten times the logarithm of the number of seconds per day. Assuming an even distribution of trains between daytime and nighttime hours, the L_{dn} would be 67 dB at 100 feet. The nearest proposed apartment building facades would be located approximately 130 feet from the railroad centerline. Table 4 in Appendix B shows the predicted railroad noise levels at the project site. The Modified Project includes plans to construct garage units and a six-foot masonry wall along the southern boundary of the site. These intervening structures would act as a noise attenuation feature, and would reduce exposure to train noise within the Project site.</p> <p>Traffic Noise Levels</p> <p>On July 8, 2014 j.c. Brennan & Associates, Inc. conducted short-term noise level measurements and concurrent counts of traffic on Grant Line Road at the project site. The purpose of the short-term traffic noise level measurement is to determine the accuracy of the FHWA model in describing the existing noise environment on the project site, while accounting for existing site conditions such as intervening structures, actual travel speeds, and roadway grade. Noise</p>

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<p>Population/Housing a through c) Would the project induce substantial population growth or displace substantial numbers</p>	<p>The EIR does not identify any significant impacts to population and housing. During preparation of the Initial Study and Notice of Preparation (NOP) Population and Housing was not</p>	<p>measurement results were compared to the FHWA model results by entering the observed traffic volume, speed, and distance as inputs to the FHWA model. Noise measurement sites are shown on Figure 2 in Appendix B. Table 4 in Appendix B shows the predicted traffic noise levels at exterior and interior areas of the project. Based upon the Appendix B Table 4 data, exterior noise levels are predicted to comply with the City of Tracy 65 dB L_{dn} exterior noise level standard, at common outdoor recreation areas, without additional noise control measures. Interior noise levels at the residential uses along Grant Line Road may exceed the City's 45 dB L_{dn} interior noise level standard as shown by the Appendix B Table 4 data. In order to achieve compliance with the City's interior noise level standard, additional noise control measures would be required. Specifically, all facades shall have windows and doors installed which have a minimum sound transmission class (STC) rating of 35. This includes all facades parallel or perpendicular to Grant Line Road. Windows or doors facing away from Grant Lane Road would not require this upgrade. As an alternative to the blanket STC 35 requirement, a detailed assessment of interior noise levels and required noise control measures could be prepared when building plans are available for the proposed apartment units. This analysis would need to be conducted by a qualified acoustic engineer and would need to outline the specific measures required to comply with the 45 dB L_{dn} interior noise level standard. Additionally, mechanical ventilation shall be installed in all residential uses to allow residents to keep doors and windows closed, as desired for acoustical isolation.</p>
<p>Population/Housing a through c) Would the project induce substantial population growth or displace substantial numbers</p>	<p>The EIR does not identify any significant impacts to population and housing. No housing units were proposed under the Original Project. The Modified Project would construct up to 489 residential units. Based on a standard household size of 3.27 individuals</p>	<p>The EIR does not identify any significant impacts to population and housing. No housing units were proposed under the Original Project. The Modified Project would construct up to 489 residential units. Based on a standard household size of 3.27 individuals</p>

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<p><i>of housing or people?</i></p>	<p>identified to be relevant to the Scope of the EIR (due to the Project not including residential dwellings).</p>	<p>as provided in the City of Tracy Draft Housing Element 2009-2014, the Modified Project has the potential to add up to 1,599 residents to the City. The Modified Project is currently in an area designated as a Secondary Residential Growth Area by the Tracy General Plan.</p> <p>The Residential Growth Management Ordinance (GMO) and Growth Management Ordinance Guidelines (GMO Guidelines) regulate the rate and timing of new residential development, encouraging a balance of housing types, encouraging growth that maximizes use of existing and future public services and infrastructure, and encouraging diverse housing opportunities. The GMO and GMO Guidelines establish priority and eligibility requirements for new residential development. The growth expected from the Modified Project is within the parameters of the City's Growth Management Ordinance Residential Growth Allotment. As such, the Modified Project would not induce substantial population growth beyond the levels permitted by the Tracy GMO.</p> <p>There are currently three single-family residences and their associated accessory structures, as well as a welding shop located along the Grant Line Road frontage of the Project site. Implementation of the Modified Project would likely result in the removal of these three existing houses. However, these houses would be replaced by up to 489 multi-family housing units. Therefore, the Modified Project will not displace substantial amounts of housing or people.</p>
<p>Public Services <i>a through e) Would the project have an effect upon, or generate a need fire protection, police services, parks, schools, or other public facilities?</i></p>	<p>The EIR identifies that the Tracy Fire Department (TFD) would be able to serve the proposed Project with established response times after Station 96 is relocated to 1800 W. Grant Line Road. This relocation project is scheduled to be completed in fiscal year 2012/2013 (CIP#71061). According to the Tracy Police Department, the proposed Project would result in the need for approximately 0.5 full time equivalent (FTE) of additional police officer.</p>	<p>The EIR found that the approved project would result in less than significant Public Services impacts when mitigation measures are implemented.</p> <p>Public Services</p> <p>The proposed modifications to the Filiros/Dobler Annexation and Development Project are not substantial changes to the originally anticipated project relating to Public Services. The Modified Project does not designate any new sites for</p>

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Environmental Issues	Filios/Dobler Annexation Project Impacts	Tracy Apartments at Grant Line Road Project Impacts
	<p>The Project would be subject to the public facilities impact fees to offset its impacts on police and fire facilities and, therefore, impacts would be less than significant. Moreover, the Project's impacts on schools would be less than significant with payment of school impact fees.</p>	<p>development and would not result in any changes to the location or footprint of development.</p> <p>While the Modified Project may increase future residential development in the City, there is no evidence that this will result in a substantial increase in public service needs related to police, fire or other public facilities. Furthermore, the Project would be subject to the public facilities impact fees to offset its impacts on police and fire, and other public facilities and services.</p> <p>Implementation of the proposed project would not adversely impact existing fire and emergency services within the City, and would not require the construction of new fire protection facilities.</p> <p>In order to provide adequate fire protection and suppression services to the project site, the Tracy Fire Department must have access to adequate onsite hydrants with adequate fire-flow pressure available to meet the needs of fire suppression units. The final site plans and development specifications developed for the Modified Project will indicate the location and design specifications of the fire hydrants that will be required within the Project site.</p> <p>It is not anticipated that implementation of the Modified Project would result in significant new demand for police services. Project implementation would not require the construction of new police facilities to serve the project site, nor would it result in impacts to the existing response times and existing police protection service levels.</p> <p>Implementation of the Modified Project would result in population growth within the City of Tracy, which would increase enrollment at schools within the Tracy Unified School District. Under the provisions of SB 50, a project's impacts on school facilities are fully mitigated via the payment of the requisite new school construction fees established pursuant to Government Code Section 65995.</p>

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<p><u>Recreation</u> <i>a and b) Would the project result in substantial physical deterioration of recreational facilities or require construction or expansion of recreational facilities that may have an adverse physical effect on the environment?</i></p>	<p>The EIR does not identify any significant impacts associated with park and recreation facilities. During Initial Study and NOP, Recreation was not identified to be relevant in the Scope of this EIR. (due to the Project not including residential dwellings)</p>	<p>Payment of the applicable impact fees by the project applicant, and ongoing revenues that would come from taxes, would ensure that project impacts to school services are less than significant. Therefore, impacts relating to Public Services would be less than significant. The Modified Project would not result in any new potential impacts to Public Services, and would not increase the significance of any impacts to Public Services. Compliance with City Requirements and mitigation identifies in Section 4.13 for the originally anticipated (approved) project would be sufficient in addressing the requirements for the Modified Project.</p>
		<p>The Modified Project would increase demand for parks and recreational facilities within the City of Tracy, and would increase the use of the City's existing parks and recreation system. As described in the Tracy General Plan, the City maintains 48 mini-parks, 15 neighborhood parks, and eight community parks, providing approximately 256 acres at 71 sites. The City is also in the process of constructing the Holly Sugar Sports Park at the northern edge of the City, which will provide an additional 166 acres of sports parks, 86 acres of passive recreation area, and a 46-acre future expansion area for additional park facilities. The City strives to maintain a standard of 4 acres of park land for every 1,000 persons. In order to maintain this standard, the City requires new development projects to either include land dedicated for park uses, or to pay in-lieu fees towards the City's parks program. Chapter 13.12 of the Tracy Municipal Code states that, "all development projects shall be</p>

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<p>Transportation/Traffic <i>a through g) Would the project cause a substantial increase in traffic, exceed established level of service standards, result in a change in air traffic patterns, increase roadway hazards, result in inadequate emergency access or parking capacity, or conflict with adopted policies or programs supporting alternative transportation?</i></p>	<p>The EIR identifies that the addition of Project traffic to existing conditions would cause operations at the following intersections to degrade to an unacceptable level of service (LOS): Lammers Road and Grant Line Road (AM and PM); I-205 Eastbound Off-Ramp and Grant Line Road (PM peak hour and Saturday peak hour); and Access-2 and Grant Line Road (PM peak hour). Under existing conditions, the additions of Project traffic at the intersections of Access-3 and Grant Line Road could result in unsafe driving conditions. The addition of Project traffic along with near-term growth (anticipated growth at Project buildout - year 2015) would cause operations at the following intersections to degrade</p>	<p><i>required to maintain the City standard of four (4) acres of park land per 1,000 population. All development projects, as a condition of approval of any tentative parcel map or tentative subdivision map, or as a condition of approval of any building permit, shall dedicate land to the City or pay a fee in lieu thereof, or a combination of both, in order to maintain this City standard. The precise obligation of any development project to dedicate land or pay a fee pursuant to this section shall be incorporated in the implementing resolution for the park fee applicable to the development project."</i></p> <p>Rather than including land dedicated for park uses within the proposed project, the project applicant will be required to pay in-lieu fees towards the expansion of park facilities within Tracy. The payment of the project's fair share in-lieu parks fees to the City of Tracy, would ensure that this is a less than significant impact.</p> <p>As a result of the policies and requirements mentioned above, impacts resulting in the increased use of existing parks, such that substantial physical deterioration would occur or be accelerated, would be less than significant with implementation of the Modified Project.</p>
		<p>An analysis of traffic generated by the Modified Project is contained in Appendix D. The purpose of this analysis is to evaluate the conformance of Modified Project's potential traffic impacts with those described in the transportation/traffic section of the Filios-Dobler Annexation EIR. As discussed in the EIR, the Filios-Dobler service area includes the extent anticipated to be developed up to 2035. Specifically, this analysis seeks to determine whether the trip generation and distribution estimated for the project is equal to or less than the trip generation and traffic volumes assumed for the same site in the Filios-Dobler EIR. Given the assumption that the distribution and assignment of trips are the same or less than the trips generated (and analyzed) in the Filios-Dobler Annexation EIR, the CEQA mitigations</p>

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	<p>to an unacceptable LOS: Lammers Road and Grant Line Road; I-205 EB Off-Ramp and Grant Line Road; Access-2 and Grant Line Road; and Access-3 and Grant Line Road. Under cumulative conditions (anticipated growth at Year 2030), the proposed Project along with cumulative growth would result in unacceptable LOS at the following four intersections: Lammers Road and Grant Line Road; I-205 Eastbound Off-Ramp and Grant Line Road; Corral Hollow Road and Byron Road; and Access-2 and Grant Line Road. All impacts would be reduced to less than significant with mitigation identified in section 4.14 (Transportation/Traffic).</p>	<p>measures identified within the Filios-Dobler Annexation EIR would be assumed to adequately address the Modified Project's traffic impacts. If this assumption proves accurate, Tracy Grant Line Apartments mitigation obligations would be limited to payment of Traffic Impact Fees to offset its potential Cumulative impacts on the City road network.</p> <p>The Original Project proposed 106,700 square feet of General Office and 359,300 square feet of Shopping Center land uses resulting in an estimated 15,977 daily trips. The Modified Project would generate 11,665 daily trips, 509 AM peak hour trips (233 inbound and 276 outbound) and 1,142 PM peak hour trips (579 inbound and 563 outbound). The Modified Project's trip generation is indicated in Exhibit 2 of Appendix D.</p> <p>Exhibit 3 in Appendix D outlines the net change in trips from the previously certified Filios-Dobler Annexation EIR traffic impact analysis in comparison to the Modified Project. The Modified Project would generate 4,312 fewer trips per day, 17 trips less during the AM peak hour and 3 trips less during the PM peak hour (as compared to the analysis in the EIR). The inbound and outbound peak hour travel characteristics changed in comparison to the Original Project due to the nature of the trip origins, destinations and purpose of trips associated with an apartment use. The AM inbound trips would be reduced by 141 trips, but the outbound trips increased by 124 vehicles. For the PM peak hour inbound trips would increase by 86 and the outbound trips would increase by 89 vehicles.</p> <p>A Level of Service (LOS) analysis was completed due to the change in land use designations, and the change in project trips and trip assignments during the AM and PM peak hours for both Existing/Near Term conditions and Cumulative (2035) conditions.</p> <p>Pursuant to the analysis in the previously certified Filios-Dobler EIR, various Existing Plus Project off-site</p>

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<p><i>Utilities/Service Systems a through g) Would the project exceed wastewater treatment requirements or capacity, require the construction or expansion of utility facilities that would result in a significant environmental effects, be served by a landfill with sufficient capacity, and</i></p>	<p>The EIR identifies that there is sufficient wastewater capacity, water supply and solid waste capacity to serve the proposed Project. However, the Project would need to construct new wastewater lines and possibly additional water line and/or pump station and water reservoir improvements. Construction related impacts associated with these improvements (short-term increases in noise and air pollutants, as well as temporary traffic delays) would be reduced to less than significant with adherence to City</p>	<p>improvements/mitigations were identified to allow for site specific project development. Similar improvements are also identified for the change in land use from Mixed-use Office and Retail to Apartments in this traffic analysis. These improvements are located at Intersection #2 Lammers Road / Grant Line Road and at Intersection #3 I-205 EB Ramps / Grant Line Road. These improvements do not create new or exacerbate previously identified LOS impacts evaluated as part of the buildout of the Filios-Dobler Annexation EIR, nor do they change the characterization or nature of mitigation measures identified in the Filios-Dobler Annexation EIR for Buildout of the Project.</p> <p>Since the Filios Dobler EIR was certified, the City has updated the <i>City of Tracy Transportation and Roadway Master Plan</i> (TMP). The TMP provides a plan for implementing roadway improvements for development through 2035 conditions. The change in land use from Mixed-use Office and Retail to Apartments and the subsequent assignment of traffic to the City roadway network does not change any of the Cumulative plus Project Improvements identified in the TMP. The project would mitigate its incremental cumulative impacts by payment of the City Traffic Impact Fees. Exhibit 4 in Appendix D shows consistency between the Tracy Grant Line Apartments analysis and the previously certified EIR Cumulative conditions analysis.</p>
<p><i>Water Supply</i></p>	<p>Water Supply</p> <p>West Yost Associates prepared a technical memorandum evaluating the ability of the City's existing water distribution system to meet required minimum pressures and flows for the Modified Project (see Appendix C). Appendix C also includes an estimate of the Modified Project's water demand. The analysis in Appendix C concludes that various improvements identified in the City's Water Master Plan would ensure adequate water pressure and fire flows for the Project and existing development in the City.</p>	<p>Water Supply</p> <p>West Yost Associates prepared a technical memorandum evaluating the ability of the City's existing water distribution system to meet required minimum pressures and flows for the Modified Project (see Appendix C). Appendix C also includes an estimate of the Modified Project's water demand. The analysis in Appendix C concludes that various improvements identified in the City's Water Master Plan would ensure adequate water pressure and fire flows for the Project and existing development in the City.</p>

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<p><i>comply with applicable statutes and regulations related to solid waste?</i></p>	<p>requirements and mitigation identified in Section 4.5</p>	<p>As shown in Table 1 of Appendix C, the annual water demand for the Modified Project would be 134 acre-feet per year (af/yr). The City's 2012 Water System Master Plan assumed a demand of 48 af/yr for the Original Project. The City of Tracy obtains water from both surface water and groundwater sources. The amount of water that Tracy uses from each of its water supply sources to make up its total water use varies from year to year based on contractual agreements, annual precipitation, and City policies about how to expand, utilize, and manage its water resources. As described in the 2011 City of Tracy Urban Water Management Plan- Public Review Draft, Tracy's maximum annual water supply amounts to over 31,500 acre feet per year from its various supply sources. Future agreements may increase the City's available water supply to over 49,500 acre feet per year.</p> <p>In recent years, demand for potable water in the City of Tracy has been trending downward. The 2010 total water demand in the City was 16,603 af/yr. The addition of the project's water demand would not exceed the City's available water supply. The City's water treatment and conveyance infrastructure is adequate to serve existing demand, in addition to the demand created by the proposed project. This is a less than significant impact and no mitigation is required.</p> <p>Wastewater Generation</p> <p>The Modified Project would generate a greater amount of wastewater than the Original Project. Wastewater generated by the Project would be conveyed to the Tracy Wastewater Treatment Plant (WWTP) for treatment and disposal. The City's wastewater collection system consists of gravity sewer lines, pump stations and the WWTP. Wastewater flows toward the northern part of the City where it is treated at the WWTP and then discharged into the Old River in the southern Sacramento-San Joaquin Delta.</p> <p>The City's WWTP provides secondary-level treatment of</p>

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		<p>wastewater followed by disinfection. Treated effluent from the WWTP is conveyed to a submerged diffuser for discharge into the Old River. The WWTP has an NPDES permit for discharge into the Old River from the State Regional Water Quality Control Board. The City of Tracy currently has plans to expand and improve the existing Tracy Wastewater Treatment Plant. These plans have been evaluated in the Draft and Final EIR for the Tracy Wastewater Treatment Plant Expansion (SCH No. 2000012039). The Final EIR was completed in September of 2002 and was certified in November 2002. The City plans to expand the average dry weather flow treatment capacity of the Plant from 9.0 million gallons per day to 16.0 million gallons per day. The expansion would also result in improvements to the quality of the effluent discharged from the Plant by upgrading the facility from secondary to tertiary treatment. The expansion of the Wastewater Treatment Plant is occurring in four phases. The phase expanding the treatment capacity to 10.8 mgd was completed in 2008. The final phase of the four phases is projected to be completed in the year 2014.</p> <p>The City's WWTP currently treats approximately 9.0 mgd of wastewater. For this analysis, a unit generation factor of 176 gallons per day of wastewater per residential unit was used. Therefore, the Modified Project would generate up to 87,296 gallons per day of wastewater, or 0.0087 mgd of wastewater. The addition of 0.0087mgd of wastewater would not exceed the treatment capacity of the City's WWTP. No improvements or expansions to the existing WWTP are required, and the addition of project-generated wastewater would not result in any RWQCB violations related to effluent treatment or discharge. Implementation of the Modified Project would have a less than significant impact and no mitigation is required.</p> <p>Solid Waste</p> <p>The City of Tracy has an exclusive franchise agreement with</p>

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		<p>Tracy Disposal Service for solid waste collection and disposal and recycling collection. Solid waste is collected and taken to the 40-acre Tracy Material Recovery Facility (MRF) and Transfer Station on South MacArthur Drive before being sent to the Foothill Sanitary landfill, 48 miles northeast of Tracy, off of Shelton Road east of Linden, California. The MRF is operated by Tracy Material Recovery and Solid Waste Transfer, Inc., and has capacity of approximately 1,000 tons per day, but averages approximately 350 tons per day, of which 85 percent is generated in Tracy. Approximately 175,000 tons of solid waste is generated in Tracy each year, of which approximately 27 percent is residential garbage.</p> <p>The approximately 800-acre Foothill landfill, owned by San Joaquin County, is the primary disposal facility accepting the City's solid waste. The Foothill landfill receives approximately 810 tons per day. The landfill is permitted to accept up to 1,500 tons per day, and has a permitted capacity of 51 million tons, of which approximately 45 million tons of capacity remains. It is estimated that the Foothill landfill will have the capacity to accept solid waste from the City of Tracy until 2054.</p> <p>The proposed project would not generate significant volumes of solid waste, beyond levels normally found in residential developments. The proposed project would not generate hazardous waste or waste other than common household solid waste. As described above, there is adequate landfill capacity to serve the proposed project.</p>
Cumulative Impacts		
<p><u>Cumulative Impact:</u> <u>Aesthetics</u></p>	<p>Future development at the Project site and under the City's General Plan could potentially result in the alteration of the existing rural and natural landscape in the region, if not mitigated. Individual projects proposed Within the Project area must be designed consistent with policies established in the City's General Plan, 1-205 Corridor Specific Plan and</p>	<p>The proposed modifications to the Filios/Dobler Annexation and Development Project are not substantial changes to the originally anticipated project relating to Aesthetics. The Modified Project does not designate any new sites for development and would not result in any changes to the location or footprint of future development. Therefore, the</p>

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	<p>Municipal Code. In addition, project specific mitigation would reduce visual impacts on a project-by-project basis.</p> <p>Implementation of the proposed Project would not result in impacts to existing views/scenic vistas and scenic highways; therefore, the Project would not contribute to cumulative impacts with regard to views/vistas and scenic highways.</p> <p>The Project would result in a less than significant impact with regard to light and glare with implementation of recommended Mitigation Measures 4.3-2a and 4.3-2b identified in Section 4.3 (Aesthetics). Although the City General Plan EIR identifies light and glare impacts associated with General Plan build-out to be potentially significant, the General Plan EIR identifies a mitigation measure to reduce these impacts to less than significant. Therefore, with implementation of the Project-specific Mitigation Measures 4.3-2a and 4.3-213, the Project would not cumulatively contribute to light and glare impacts.</p> <p>The City General Plan EIR identified significant and unavoidable character/quality impacts with build-out of the General Plan, due to the amount of development permitted Within the City limits and Sphere of Influence. Therefore, as development occurs Within the Project site and Within the City limits and Sphere of Influence, residents and visitors in the area would notice the visual effects of urbanization. The significance of these visual and aesthetic changes is difficult to determine, as aesthetic value is subjective, potential impacts are site-specific, and cumulative project details are</p>	<p>Modified Project would not result in significant changes to development or development patterns and would not contribute more significantly to cumulative impacts. Because of the site specific nature of aesthetics, future visual impacts will need to be assessed on a project by project basis. As development occurs within the Project site, the City limits and Sphere of Influence, residents and visitors in the area could notice the visual effects of future development, but the significance of these aesthetic changes is difficult to determine, as aesthetic value is subjective, and potential future impacts are site-specific.</p>

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<p><u>Cumulative Impact: Agricultural and Forest Resources</u></p>	<p>unknown at this time.</p> <p>The City General Plan EIR analyzed the long-term development of the City and found that implementation of the City General Plan would result in the permanent conversion of farmland to non-agricultural use. The City General Plan includes several policies and actions under Objective OSC-2.1 stating that the City will work at a regional level to control the conversion of agricultural uses.</p> <p>The Project proposes the development of a mix of commercial and office uses, which would permanently convert Prime Farmland to non-agricultural use. Other projects within the County and state undertaken in agricultural areas would also convert Important Farmland to non-agricultural use. While local and regional programs and regulations would help reduce the cumulative loss of agricultural land throughout the state, the proposed Project in combination with other development projects undertaken in agricultural areas would result in a net permanent loss of agricultural land to non-agricultural use, which would be significant and unavoidable. The proposed Project's contribution would be cumulatively considerable, as there is no way to recreate the agricultural land it would convert to non-agricultural use.</p>	<p>Although the Modified Project's contribution would be considerable to the reduction of Agricultural Resources, as there is no way to recreate the agricultural land it would convert to non-agricultural use, the Modified Project would be no more severe than the previously approved Project because the Modified Project does not designate any new sites for development and would not result in any changes to the location or intensity of future development patterns. Therefore, there would be no new cumulative impact associated with the Modified Project.</p> <p>Furthermore, The City's General Plan includes several policies and actions under Objective OSC-2.1 stating that the City will work at a regional level to control the conversion of agricultural uses, and Objective OSC-2.2 to minimize conflicts between agricultural and urban uses, stating that: Development projects shall have buffer zones, such as roads, setbacks and other physical boundaries, between agricultural uses and urban development. With these policies in place, the cumulative future effects of the Modified Project would be no more significant than the previously approved project, and all future projects would have to adhere to the same City Standards of development stated above.</p>
<p><u>Cumulative Impact: Air Quality</u></p>	<p>Impacts from area and mobile source emissions would be significant and unavoidable. Since construction emissions from future development projects within the Project area cannot be mitigated to a less than significant level, operation of those projects would exceed San Joaquin Valley Air Pollution Control District (SJVAPCD) thresholds, and the construction and operation of 466,000 square feet of commercial and office uses would have similar significant and unavoidable impacts. Thus,</p>	<p>The Modified Project would result in significantly reduced air quality emissions when compared to the Original Project. As such, cumulative impacts related to air quality would be reduced under the Modified Project.</p>

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	<p>cumulative impacts would be considered significant and unavoidable.</p> <p>The proposed Project would be consistent with the City General Plan vision for UR 2 land use designation. The General Plan EIR analyzed the long-term development of the City and found that build-out under the City General Plan is projected to lead to substantial increases in vehicle miles traveled and contribute to existing air quality issues in the Basin. These air quality impacts associated with increases in regional traffic are anticipated to occur after 2030, constituting a cumulatively significant impact. As a result, the proposed Project would have significant air quality impact at both the Project and the cumulative level.</p>	
<p><u>Cumulative Impact: Biological Resources</u></p>	<p>Foreseeable future actions within the vicinity of the Project site would result in considerable disturbance to special—status Wildlife and plants, their habitats, and other sensitive biological resources. However, the incremental effect of the proposed Project, when combined with the effects created by other past and reasonably foreseeable projects, would not be cumulatively considerable or significant because the Project applicant would obtain regulatory approvals and implement the mitigation measures previously described to address direct and indirect effects of the Project. The Project would also fully comply With the terms and requirements of the San Joaquin Multi-Species Habitat Conservation and Open Space Plan (SJMSCP).</p>	<p>The incremental effect of the Modified Project, when combined with the effects created by other past and foreseeable future projects, would not be cumulatively considerable or significant because the Modified Project would be required to obtain regulatory approvals and implement the mitigation measures to address direct and indirect effects of the Modified Project in the same way as described in the previously approved project. The Modified Project would also similarly comply with the terms and requirements of the San Joaquin Multi-Species Habitat Conservation and Open Space Plan (SJMSCP), thus no new cumulative impacts would occur, and would be no more severe in nature than the Approved project.</p>
<p><u>Cumulative Impact: Cultural Resources</u></p>	<p>The proposed Project has the potential to damage or destroy potentially significant unknown cultural resources because their subsurface presence cannot be conclusively ruled out. Mitigation Measure 4.8-1</p>	<p>Similar to the approved project, the Modified Project has the potential to damage potentially significant unidentified cultural resources because the presence of these resources cannot be fully determined. The Modified Project would be</p>

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	<p>identified in Section 4.8 (Cultural Resources) would help to protect potentially significant unknown cultural resources from damage, destruction, or information loss as a result of Project construction. Therefore, implementation of this mitigation measure, along with implementation of similar mitigation measures by other projects in City's Planning Area and western San Joaquin County, would prevent the Project from cumulatively contributing to the damage or destruction of cultural resources.</p>	<p>similar in nature to the approved project and would not significantly change future development patterns, or methods of construction. Furthermore, because of the site-specific nature of Cultural Resources, future projects would have to be assessed of a site by site basis. Therefore, cumulative impacts would be no more severe than the approved project, and mitigation identified for the approved project in section 4.8 would be sufficient in addressing the Modified Project, and no new cumulative impacts would be expected.</p>
<p><u>Cumulative Impact: Geology and Soils</u></p>	<p>Future development would not result in significant effects associated with seismic or soil hazards with adherence to applicable state and local regulations, codes and requirements and implementation of Mitigation Measure 4.9-1 identified in Section 4.9 (Geology and Soils). Other individual development projects would be reviewed for seismic safety and would be required to comply with local regulations, codes and requirements. Moreover, none of the cumulative projects would reasonably be expected to be affected by the exact same seismic or soil impacts as the proposed Project due to the unique characteristics of each project and site. Therefore, the proposed Project's geology and soils impacts would not be cumulatively considerable</p>	<p>Future development associated with the Modified Project would not result in significant effects associated with seismic or soil hazards with adherence to applicable state and local regulations, codes and requirements and implementation of Mitigation Measures identified in Section 4.9 (Geology and Soils). Therefore, there will be no new impacts associated with the Modified Project. Furthermore, other individual development projects would be reviewed for seismic safety and would be required to comply with local regulations, codes and requirements. Therefore, none of the cumulative projects would reasonably be expected to be affected by seismic or soil impacts as the Modified Project due to the unique characteristics of each project and the site-specific nature of geology and soils. Therefore, future impacts would not be cumulatively considerable for the Modified Project.</p>
<p><u>Cumulative Impact: Greenhouse Gases</u></p>	<p>Although the proposed Project would be consistent with the City's General Plan and Sustainability Action Plan and would incorporate relevant measures within the Sustainability Action Plan, Project GHG emissions would not meet SIVAPCD criteria and impacts would be significant and unavoidable. Project generated GHGs in combination with GHG emissions from other known and reasonably foreseeable projects would result in a much greater</p>	<p>The Modified Project would result in significantly reduced GHG emissions when compared to the Original Project. As such, cumulative impacts related to greenhouse gases would be reduced under the Modified Project.</p>

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	<p>amount of GHG emissions.</p> <p>It is generally the case that an individual project of the size and nature of the proposed Project is of insufficient magnitude by itself to influence climate change or result in a substantial contribution to the global GHG inventory.1 GHG impacts are recognized as exclusively cumulative impacts; there are no non-cumulative GHG emission impacts from a climate change perspective.2 However, because the Project's impacts associated with GHG emissions would be significant and unavoidable, the Project's cumulative-related GHG emissions would also be significant and unavoidable.</p>	
<p><u>Cumulative Impact: Hazards and Hazardous Materials</u></p>	<p>The incremental effect of the proposed Project, when combined with the effects created by other past, present and reasonably foreseeable projects, would not be cumulatively considerable or significant because the Project would be required to comply with federal, state and local regulations, which would ensure that potential contamination or exposure to hazardous materials would be avoided or minimized on a case-by-case basis. Impacts in this regard are less than significant. With compliance of applicable federal, state and local regulations and implementation of recommended mitigation measures.</p>	<p>Because the Modified Project has similar development methods, the incremental effect of the Modified Project, when combined with the effects created by other past, present and reasonably foreseeable projects, would not be cumulatively significant because all current and future projects would be required to comply with federal, state and local regulations, which would ensure that potential contamination or exposure to hazardous materials would be avoided or minimized on a project by project basis. Impacts in this regard are less than significant with compliance of applicable federal, state and local regulations and implementation of recommended mitigation measures. The Modified Project would not result in new or increased cumulative impacts related to hazards and hazardous materials.</p>
<p><u>Cumulative Impact: Hydrology and Water Quality</u></p>	<p>Future development of the Project site would not result in any significant impacts with the implementation of mitigation measures. In addition, future development within the Project vicinity would be guided by the Tracy General Plan, and associated planning and environmental documents. Each project would be subject to the City planning</p>	<p>The Modified Project does not designate any new sites for development and would not result in any changes to the location or footprint of development. Similarly to the approved project, future development would not result in any significant impacts with a combination of mitigation measures identified in Section 4.11 (Hydrology and Water Quality) and compliance with state and local policies and</p>

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	<p>process. Impacts on hydrology and water quality would not be cumulatively considerable.</p>	<p>regulations would reduce these potentially cumulatively significant impacts to less than significant. In addition, future development within the Project vicinity would be guided by the City General Plan, and associated planning and environmental documents required of projects. Therefore, no cumulative impacts relative to Hydrology and Water Quality are expected with implementation of the Modified Project.</p>
<p><u>Cumulative Impact: Land Use and Planning</u></p>	<p>The City General Plan EIR analyzed the long-term development of the City and found that no significant impacts relative to land use and planning would occur with implementation of the City General Plan. The proposed Project would generally be consistent with the City General Plan vision for UR 2. However, the proposed Project would increase the amount of commercial and office use compared to the projections of the City General Plan and City General Plan EIR. Thus, the proposed Project would potentially allow more commercial and job generating uses compared to the projections of the City General Plan and City General Plan EIR. Nonetheless, these changes would not cause substantial disruption within the established community or conflicts with adopted plans and policies related to avoidance or mitigation of environmental effects. Therefore, no cumulative impacts relative to land use and planning are expected with implementation of the proposed Project.</p>	<p>The City's General Plan EIR analyzed the long-term development of the City and found that no significant impacts relative to land use and planning would occur with implementation of the City General Plan. The Modified Project site is identified in the current General Plan as a Secondary Residential Growth Area. The increases of residential units stemming from the Modified Project comply with the City's General Plan and residential growth allotment provided by the City's Growth Management Ordinance. Furthermore, the Modified Project would not require a General Plan amendment because under the current commercial zoning designation high density residential is an allowable use. However, the I-205 Specific Plan would require an amendment from general commercial to high density residential. Even so, these changes would not cause substantial disruption within an established community, or conflict with adopted plans and policies related to avoidance or mitigation of environmental effects. Therefore, no cumulative impacts relative to land use and planning are expected with implementation of the Modified Project.</p>
<p><u>Cumulative Impact: Mineral Resources</u></p>	<p>The EIR does not identify any significant impacts to</p>	<p>The California Geological Survey (CGS) has designated mineral deposits in the Tracy Planning Area as regionally</p>

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	<p>mineral resources.</p>	<p>significant. Local aggregate resources being important for minimizing construction costs, especially in a rapidly growing area such as Tracy. Furthermore, the State Division of Mines and Geology has identified Tracy as having potentially significant mineral deposits. In order to protect aggregate land and mitigate conflicts between mining activities and urban uses, the General Plan designates lands with production quality mineral reserves as "Aggregate" in the southern portion of Tracy. Presently, there are five aggregate extraction sites operating within the Tracy Planning Area. Although there are important mineral resources located in the planning area, these areas lie to the southern side of the City, and are not identified near the Modified Project site. The policies in the proposed General Plan would minimize potential land use conflicts between aggregate resource activities and other uses, and in general ensure that new development would not impact the future availability of mineral resources or mineral resource recovery sites. Therefore, no cumulative impacts relative mineral resources are expected with implementation of the Modified Project.</p>
<p><u>Cumulative Impact: Noise</u></p>	<p>The proposed Project would introduce the use of stationary equipment that would increase noise levels within the area. Based on the long-term stationary noise analysis, impacts would be less than significant. Because noise dissipates as it travels away from its source, noise impacts from onsite stationary sources would be limited to each of the respective sites and their vicinities. Future development proposals within the City would also require separate discretionary approval and CEQA assessment, which would address potential noise impacts and identify necessary attenuation measures, Where appropriate. Therefore, in conjunction with cumulative projects, the proposed Project would not have the potential to result in</p>	<p>The Modified Project would not generate noise levels in excess of those addressed in the EIR for the Original Project. As such, the Modified Project would not result in an increase in cumulative noise levels within the City of Tracy.</p>

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	<p>cumulatively significant stationary noise impacts.</p> <p>A significant cumulative mobile noise impact would result only if both the combined and incremental effects criteria have been exceeded. Noise by definition is a localized phenomenon and drastically reduces as distance from the source increases. Consequently, only proposed projects and growth anticipated to occur in the general vicinity of the Project area would contribute to cumulative noise impacts. The proposed Project would not exceed either the combined or incremental effects criteria. Thus, the proposed Project would not result in long-term mobile noise impacts based on Project generated traffic or cumulative and incremental noise levels. Therefore, less than significant impacts would occur in this regard.</p>	
<p><u>Cumulative Impact: Population/Housing</u></p>	<p>No housing is proposed as part of this Project and, therefore, Project implementation would not directly induce population growth. As described above, projects that do not directly induce population growth still have the potential to result in indirect population growth through the creation of jobs or the extension of infrastructure into areas that were not previously served. It is possible that future employees of the proposed commercial and office uses would be hired from within the City or from other locations. Given that the majority of jobs would be in the retail sector, it is expected that most employees would already live in the City and not move there to work at the proposed commercial uses. Furthermore, retail development responds to residential growth rather than causes it.</p> <p>Moreover, the City has a residential Growth Management Ordinance (GMO), which strives to</p>	<p>Although the Modified Project may increase residential development in the City, there is no evidence that this would substantially increase overall population growth in the City. The project would construct up to 489 residential units. Based on a standard household size of 3.27 individuals as provided in the City of Tracy Draft Housing Element 2009-2014, the Modified Project has the maximum potential to add approximately 1,599 residents. Although the Modified Project could generate a greater number of residents than the previously approved Project, the population, increase would be insignificant as the population increase represents only a 1.7% increase over the City's overall current population of approximately 84,691 (assuming that all residents in the Modified Project are new to the City and no internal-migration has occurred within the City). Furthermore, population projects for 2020 show a 52.2% growth rate by 2020. Making 1.7% growth a less than significant Cumulative impact. Moreover, the Modified Project is currently in an area designated as a Secondary Residential Growth Area as</p>

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	<p>achieve a steady and orderly growth rate and allow for the adequate provision of services and community facilities. The GMO limits the number of new residential building permits to an average of 600 housing units per year for market rate housing, with a maximum of 750 units in any single year. There are exceptions for affordable housing. For these reasons, the Project would not have any significant influence on indirect residential growth.</p>	<p>identified the current General Plan. The growth expected from the Modified Project is within the parameters of the City's Growth Management Ordinance's Growth Allotment which allows 600-750 units per year. Because all future projects will have to comply with the City's General Plan, and Growth Management Ordinance, no cumulative impacts relative Population and Housing are expected with implementation of the Modified Project.</p>
<p><u>Cumulative Impact: Public Services</u> <u>Utilities/Service Systems</u></p>	<p>Future development of the Project site would not result in any significant impacts to public services, utilities and service systems with the implementation of mitigation measures. Future development Within the Project vicinity would be guided by the City and County General Plans, and associated planning and environmental documents. Each project would be subject to the City and/or County planning process. As part of this planning process, the payment of appropriate fees (including development impact fees) by all development projects would be required to mitigate any effects on public services, utilities and service systems and minimize cumulative impacts on a project-by-project basis. Furthermore, the City and County Fire Departments and Police/ Sheriff Departments would be involved in the development review process for all projects in the City and County, and would continue to provide input into the review of new projects. Future development would be also required to comply with all federal, state and local regulations and ordinances protecting utility services, including</p>	<p>The City's Growth Management Ordinance is intended to achieve a steady and orderly growth that allows for the adequate provision of services and facilities. To support this, the General Plan outlines policies to ensure the provision of adequate public services needed to provide a safe environment in Tracy (Goal PF-2, Objective PF-2.1) stating that the City will maintain adequate staffing, Objective LU-1.3 would ensure that public facilities are accessible and distributed evenly and efficiently throughout the City, and Objective LU-1.4 that ensures residential development is directed in a way to maximize the use of existing public services and infrastructure. Since some level of service staffing increases would be needed over time there may be a need for new or expanded police and fire facilities in the City. The proposed General Plan does not specifically identify potential expansion locations since it would depend on the location of new developments. However, Objective PF-2.2 P3 states that sub-stations shall be constructed in new development areas in order to meet the City's response time requirements. Furthermore the General Plan identifies that each project would be subject to the City and/or County planning process. As part of this planning process, the</p>

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	<p>complying with all water conservation measures and waste minimization efforts in accordance with City and County requirements. Therefore, the incremental impact associated with the proposed Project would not contribute to cumulative long-term impacts on public services, utilities and service systems and, therefore, would not be cumulatively considerable.</p>	<p>payment of appropriate fees (including development impact fees for police, fire, schools, and infrastructure improvements) by all development projects would be required to mitigate any effects on public services. Because all future projects will have to comply with the City's General Plan, and local and state requirements, no cumulative impacts relative Public Services and Utilities are expected with implementation of the Modified Project.</p>
<p><u>Cumulative Impact:</u> <u>Recreation</u></p>	<p>The EIR does not identify any significant impacts associated with park and recreation facilities.</p>	<p>Because the Modified Project will potentially add more residents to the City, there is a potential that the project could increase the use of existing recreation facilities, and or require expansion of recreation facilities. However, using the City's adopted requirement of 4 acres of parkland per 1,000 residents and the estimated population increase of 34,930 residents through 2025, there would be a need for 133 additional acres of parkland to serve development projected during the 20-year planning horizon of the General Plan. The Modified Project complies with the current General Plan and the growth allotment under the Growth Management ordinance. Furthermore, as part of approval of a final tract or parcel map, the California Quimby Act allows a city to require dedication of land, the payment of in-lieu fees or a combination of both to be used for the provision of parks and recreational purposes. Cities can require land or in-lieu fees for a minimum of 3 acres per 1,000 residents, with the possibility of increasing the requirement to a maximum of 5 acres per 1,000 residents if the City already provides more than 3 acres per 1,000 residents. Tracy's current Park Dedication Ordinance requires a dedication of 4 acres per 1,000 people for all new development projects. Also, the City of Tracy adopted a Parks Master Plan, which identifies existing park facilities, analyzes the demand for future parks, provides standards for new park facilities and identifies goals, policies and actions for the provision of park and</p>

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Environmental Issues	Filios/Dobler Annexation Project Impacts	Tracy Apartments at Grant Line Road Project Impacts
<p><u>Cumulative Impact: Transportation/Traffic</u></p>	<p>The proposed Project along with cumulative growth would result in unacceptable operations at four intersections: Lammers Road/Grant Line Road; 1-205 Eastbound Off-Ramp/Grant Line Road; Corral Hollow Road/Byron Road; and Access-Z/Grant Line Road. Mitigation Measures 4.14-10a through 4.1410c identified in Section 4.14 (Transportation/Traffic) would reduce this cumulative impact to less than significant. Although the proposed Project would add traffic to 1-205, impacts would be less than significant under cumulative conditions.</p>	<p>recreation facilities and services.</p> <p>As a result of the policies and requirements mentioned above, impacts resulting in the increased use of existing parks, such that substantial physical deterioration would occur or be accelerated, would be less-than cumulatively significant with implementation of the Modified Project.</p>
		<p>Since the Filios Dobler EIR was certified, the City has updated the <i>City of Tracy Transportation and Roadway Master Plan</i> (TMP). The TMP provides a plan for implementing roadway improvements for development through 2035 conditions. The change in land use from Mixed-use Office and Retail to Apartments and the subsequent assignment of traffic to the City roadway network does not change any of the Cumulative plus Project Improvements identified in the TMP. The project would mitigate its incremental cumulative impacts by payment of the City Traffic Impact Fees. Exhibit 4 in Appendix D shows consistency between the Tracy Grant Line Apartments analysis and the previously certified EIR Cumulative conditions analysis.</p>

REFERENCES

- BAAQMD, 2014. Air Quality Standards and Attainment Status. Site:
http://hank.baaqmd.gov/pln/air_quality/ambient_air_quality.htm
- City of Tracy, 2009-2014. Draft Housing Element. October 2011.
- City of Tracy, 2005. City of Tracy General Plan Update Draft EIR. Prepared by Design Community & Environment. October 4, 2005.
- City of Tracy, 2010. General Plan Final Supplemental EIR. Prepared by Design Community & Environment. December 1, 2010.
- City of Tracy, 2011. General Plan Final Supplemental EIR Addendum. Prepared by Design Community & Environment. February 1, 2011.
- City of Tracy, 2011. City of Tracy General Plan. Prepared by Design Community & Environment. February 1, 2011.
- City of Tracy, 1999. I-205 Corridor Specific Plan. Prepared by Harris & Associates. July 6, 1999.
- City of Tracy, 2012. Resolution 2012-214. Growth Management Ordinance. October 16, 2012
- San Joaquin County, 2010. San Joaquin County General Plan Volume II. July 4, 2010.

Tracy Apartments at Grant Line Road Conditions of Approval
Application Number D14-0011
October 7, 2014

These Conditions of Approval shall apply to the real property described as the Tracy Apartments at Grant Line Road, Planned Unit Development (PUD) Preliminary and Final Development Plan (Application Number D14-0011). The approximately 20.04-acre subject property is located on the south side of Grant Line Road, north of the Union Pacific Railroad tracks, east of Byron Road and approximately 600 feet west of Lammers Road, (Assessor's Parcel Numbers 209-270-30 and 31).

A. The following definitions shall apply to these Conditions of Approval:

1. "Applicant" means any person, or other legal entity, defined as a "Developer".
2. "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.
3. "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 (the Streets and Utilities Standard Plans, Design Standards, Parks and Streetscape Standard Plans, Standard Specifications, and Manual of Storm Water Quality Control Standards for New Development and Redevelopment, and Relevant Public Facilities Master Plans).
4. "Conditions of Approval" shall mean the conditions of approval applicable to the real property described as the Tracy Apartments at Grant Line Road, Planned Unit Development (PUD) Preliminary and Final Development Plan (Application Number D14-0011). The approximately 20.04-acre subject property is located on the south side of Grant Line Road, north of the Union Pacific Railroad tracks, east of Byron Road and approximately 600 feet west of Lammers Road, (Assessor's Parcel Numbers 209-270-30 and 31).
5. "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.
6. "Project" means the real property consisting of approximately 20.04 acres proposed for the Tracy Apartments at Grant Line Road located on the south side of Grant Line Road, north of the Union Pacific Railroad tracks, east of Byron Road and approximately 600 feet west of Lammers Road, (Assessor's Parcel Numbers 209-270-30 and 31).
7. "Property" means the real property generally located on the south side of Grant Line Road, north of the Union Pacific Railroad tracks, east of Byron Road and approximately 600 feet west of Lammers Road, (Assessor's Parcel Numbers 209-

270-30 and 31).

8. "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 Developer. The term "Developer" shall include all successors in interest.

B. Planning Division Conditions of Approval:

1. 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").
2. Unless specifically modified by these Conditions of Approval, the Project shall comply with all City Regulations.
3. 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 previously certified EIR (State Clearinghouse Number 2010072043) for the Filios/Dobler Annexation and Development Project, certified by the City on November 11, 2011.
4. 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.
5. Except as otherwise modified herein, all construction shall be consistent with the plans received by the Development Services Department on August 15, 2014.
6. Prior to the issuance of a building permit, the applicant shall provide a detailed landscape and irrigation plan consistent with City landscape and irrigation standards, including, but not limited to Tracy Municipal Code Section 10.08.3560, the City's Design Goals and Standards, and the applicable Department of Water Resources Model Efficient Landscape Ordinance on private property, and the Parks and Parkways Design Manual for public property, to the satisfaction of the Development Services Director. Said landscape plans shall include documentation which demonstrates there is no less than 20 percent of the parking area in landscaping, and 40 percent canopy tree coverage at tree maturity in accordance with City Regulations. Newly planted, on-site

trees shall be a minimum size of 24-inch box and shrubs shall be a minimum size of five gallons.

7. Where landscape planters are parallel and adjacent to vehicular parking spaces, the planter areas shall incorporate a 12-inch wide concrete curb along their perimeter that is adjacent to the parking space in order to allow access to vehicles without stepping into landscape planters.
8. Prior to the issuance of a building permit, an Agreement for Maintenance of Landscape and Irrigation Improvements shall be executed and financial security submitted to the Development Services Department. The Agreement shall ensure maintenance of the on-site landscape and irrigation improvements for a period of two years. Said security shall be equal to the actual material and labor costs for installation of the on-site landscape and irrigation improvements, or \$2.50 per square foot of on-site landscape area.
9. No roof mounted equipment, including, but not limited to, HVAC units, fans, antennas, and dishes whether proposed as part of this application (excluding renewable energy systems, such as photovoltaic solar), potential future equipment, or any portion thereof, shall be visible from Grant Line Road, Byron Road, or any other public right-of-way. All roof-mounted equipment shall be contained within the roof well or screened from view from the public rights-of-way by the roof of the building, to the satisfaction of the Development Services Director.
10. All vents, gutters, downspouts, flashing, electrical conduit, gas meters, electrical panels and doors, 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.
11. Prior to final inspection or certificate of occupancy, all exterior and parking area lighting shall be directed downward or shielded, to prevent glare or spray of light into the public rights-of-way, to the satisfaction of the Development Services Director.
12. Prior to the issuance of a building permit, bicycle parking spaces shall be provided in accordance with Tracy Municipal Code Section 10.08.3510 to the satisfaction of the Development Services Director.
13. 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 Services Director.
14. Prior to the issuance of a building permit, a lot line adjustment or other instrument shall be approved by the City and recorded to effectively merge the two lots of the Tracy Apartments at Grant Line Road Project site into one lot or relocate the property lines to conform with Tracy zoning and building codes.
15. Prior to the installation of any signs, the applicant shall submit a sign permit application

and receive approval from the Development Services Director in accordance with City Regulations. The proposed entryway monument sign shall be located and built consistent with City standards, and shall not create safety issues for pedestrians, bicycles and vehicles.

16. The Developer shall construct trash, trash compactor and recycling enclosures in substantial conformance with the project plans received by the Development Services Department on August 15, 2014 and with the following: the walls shall be of masonry construction, at least six feet in height (or the height of the bin or compactor being enclosed, whichever is higher), include solid metal doors, a solid roof, and an interior perimeter concrete curb.
17. Prior to the issuance of a building permit, the developer shall design a recycling program consistent with State Assembly Bill 341, to the satisfaction of the Public Works Director. The program shall include enclosures with adequate space for both refuse and recycling and shall be incorporated with the trash and recycling enclosures described in Planning Division Condition of Approval Number 17, above. Each enclosure shall have signs that clearly indicate refuse and recycling locations as well as prohibition of scavenging. The program shall include recycling options or elements at the pool areas and other common areas for the tenants.
18. Prior to final inspection for any residential unit of the project, the Developer shall construct a six-foot tall masonry wall (as measured from the taller finished grade on either side of the wall) along the project's east property line, adjacent to the commercially zoned property, as shown on the project site plan received by the Development Services Department August 15, 2014. The wall shall be designed with materials and colors compatible with the on-site building exterior to the satisfaction of the Development Services Director.
19. Prior to the issuance of a building permit, the developer shall document compliance with the City of Tracy Manual of Stormwater Quality Control Standards for New Development and Redevelopment (Manual) to the satisfaction of the Public Works Director, which includes the requirement for Site Design Control Measures, Source Control Measures and Treatment Control Measures under the guidelines in a project Stormwater Quality Control Plan (SWQCP). Compliance with the Manual includes, but is not limited to, addressing outdoor storage areas, loading and unloading areas, trash enclosures, parking areas, any wash areas and maintenance areas. The SWQCP must conform to the content and format requirements indicated in Appendix D of the Manual and must be approved by the Public Works Director prior to issuance of grading or building permits.
20. The project shall comply with all applicable provisions of the San Joaquin County Multi-Species Habitat Conservation and Open Space Plan, including Incidental Take Minimization Measures applicable at the time of permit and a pre-construction survey prior to ground disturbance, to the satisfaction of San Joaquin Council of Governments.
21. The developer shall design the carports, garages, clubhouses and related restroom buildings in substantial conformance with the design received by the Development Services Department on August 15, 2014 to the satisfaction of the Development

Services Director.

22. The developer shall design and construct all buildings with fire sprinklers in accordance with City Regulations to the satisfaction of the Chief Building Official.
23. The project's on-site, usable open space areas contain proposed improvements such as a "pool," "tot lot" and other improvements. Recognizing that such amenities may change from time to time over the life of the project, all usable open space area improvements shall be designed and improved consistent with City standards to the satisfaction of the Development Services Director.
24. The "metal fence" and gates identified adjacent to Grant Line Road, if constructed, shall be designed and constructed in accordance with City standards and, while providing site security, shall be of a decorative nature, such as wrought iron or tube steel construction, such that spaces in the fence elements result in the fence being predominantly "see through" and which does not create a visual barrier. The color, material, and other design elements of the fence shall be compatible with the on-site building architecture, and the height shall be the minimum necessary to provide reasonable security but not over 72 inches tall, to the mutual satisfaction of the Developer and the Development Services Director. Gates at project entries shall be designed to provide reasonable access by emergency vehicles and located such that vehicle stacking or queuing does not occur in the public right-of-way, to the satisfaction of the Development Services Director.
25. All exterior building colors shall be consistent with City standards and obtain approval by the Development Services Director prior to issuance of a building permit for the project.
26. Prior to issuance of a building permit, the developer shall demonstrate to the Development Services Director, compliance with San Joaquin Valley Air Pollution Control District Rule 9510 (Indirect Source Review), including payment of all applicable fees, to the satisfaction of the Air Pollution Control District.
27. A temporary pedestrian and bicycle pathway shall be constructed along the south side of Grant Line Road between the project site easterly boundary and the existing Tracy Marketplace development to the east if a permanent connection is not otherwise constructed prior to occupancy of the first unit in the project. The pathway shall be constructed within the Grant Line Road right-of-way. Plans for the pathway shall be submitted to and approved by the City Engineer.
28. The Developer shall provide for emergency vehicle access to the project, including acceptable access through the entryway gates, subject to approval by the City Fire Marshall and Police Chief. Plans for access shall be provided prior to issuance of a building permit. The plans shall identify proposed method of gate power. Plans shall be submitted prior to issuance of the project building permit.
29. Improvement Plans and Building Permit plans shall demonstrate the opportunity for a shared driveway at Grant Line Road with the Maibes property (Assessor's Parcel Numbers 209-270-10, 11), to the satisfaction of the Development Services Director.

Prior to the issuance of a building permit, the developer shall record an instrument (after receiving approval of such instrument by the Development Services Director) identifying the size, location, and assurance of the shared driveway at Grant Line Road if required by the City for development or use of the adjacent Maibes property.

30. Prior to the issuance of the first building permit, the developer shall do one of the following, which shall be subject to City approval:
- a. The Applicant shall enter into an agreement with the City or provide sufficient evidence, to the satisfaction of the City, which stipulates the following: (1) the Project shall annex into the Tracy Consolidated Landscape Maintenance District (TCLMD) prior to issuance of a building permit; (2) when property annexes into the TCLMD, the owners of the property will be assessed for assessment district costs related to maintenance, operation, repair and replacement of public landscaping, public walls and any special amenities as described in the TCLMD; (3) the items to be maintained include but are limited to the following: ground cover, turf, shrubs, trees, irrigation systems, drainage and electrical systems, masonry walls and other fencing, entryway monuments or other ornamental structures, furniture, recreation equipment, hardscape and any associated appurtenances within medians, parkways, dedicated easements, channel-ways, parks or open space areas; (4) prior to issuance of a building permit, the developer shall deposit a first year's assessment equivalent to the Maintenance District's first twelve months of estimated costs as determined by the City's Public Works Director; and (5) the developer shall be responsible for all costs associated with the annexation into the TCLMD; or
 - b. The Applicant shall enter into an agreement with the City or provide sufficient evidence, to the satisfaction of the City, which stipulates that prior to issuance of a building permit, the Applicant will form a Community Facilities District (CFD), Home Owner's Association (HOA) or establish another lawful funding mechanism that is reasonably acceptable to the City for the funding or performing the ongoing maintenance costs related to the maintenance, operation, repair and replacement of public landscaping, public walls and any public amenities included in the Project. The items to be maintained include but are limited to the following: ground cover, turf, shrubs, trees, irrigation systems, drainage and electrical systems, masonry walls and other fencing, entryway monuments or other ornamental structures, furniture, recreation equipment, hardscape and any associated appurtenances within medians, parkways, dedicated easements, channel-ways, parks or open space areas. Formation of the CFD shall include, but not be limited to, affirmative votes and the recordation of a Notice of Special Tax Lien. Upon successful formation, the parcels will be subject to the maximum special tax rates as outlined in the Rate and Method of Apportionment; or
 - c. The Applicant shall enter into an agreement with the City or provide sufficient evidence, to the satisfaction of the City, which stipulates that prior to issuance of a building permit, the Applicant will fund a fiscal impact study to be conducted and approved by the City to determine the long term costs related to the maintenance, operation, repair and replacement of public landscaping, public walls and any public amenities included in the Project, and deposit with the City an amount necessary to fund the full costs in perpetuity as identified by the approved study. The items to be

maintained include but are limited to the following: ground cover, turf, shrubs, trees, irrigation systems, drainage and electrical systems, masonry walls and other fencing, entryway monuments or other ornamental structures, furniture, recreation equipment, hardscape and any associated appurtenances within medians, parkways, dedicated easements, channel-ways, parks or open space areas.

31. Prior to the issuance of the first building permit, the developer shall demonstrate compliance with Tracy Unified School District's Comprehensive School Facilities Capital Improvement and Finance Plan, consistent with State law, as evidenced in the District's School Facilities Needs Analysis, and obtain certificate of compliance from the District for each new residential building permit.
32. Fences/walls on the perimeter of the 20.04-acre site and trash enclosure/compactor screen walls indicated on the plans received by the Development Services Department on August 15, 2014 are approved with this project. Additionally, temporary fences may be constructed at phase boundaries if the entire project is not constructed in one phase. Any such temporary fence shall be removed prior to occupancy of subsequent, adjacent phases, ensuring that all phases function as a single, cohesive project, including unimpeded through-circulation for project residents and emergency responders. If fences or other barriers are proposed to divide the project into two or more separated projects, the developer shall first obtain City Development Plan approval based on the following criteria:
 - a. Project boundaries are designed with curb(s), fencing, landscaping, vehicle turnarounds, or other improvements consistent with City standards and approved, on-site improvements of the project;
 - b. The proposal is consistent with City Police Department security and Fire Department emergency vehicle access and circulation standards;
 - c. The proposal undergoes City Engineer review of fronting or nearby public right-of-way improvements (such as left-turn movements into the project from Grant Line Road) to ensure compliance with City standards; and
 - d. Appropriate easements, maintenance agreements, or other coordination documentation is executed or recorded regarding shared utilities, access, common improvements, lift station, etc.

The costs of any consultant services required by the Development Services Director to undergo City review of the proposal shall be paid by the developer.

33. The final landscape plan shall include trees to be located within the stormwater quality planter along the south property line to enhance the appearance of the project from Byron Road. Tree species, spacing, and locations shall be compatible and consistent with operational requirements of the stormwater quality planters to the satisfaction of the Development Services Director. This may include use of either smaller accent trees planted in clusters or larger canopy trees which can be more evenly spaced along the railway frontage.
34. The developer shall be responsible for complying with the City's interior noise level standard. This shall include use of additional noise control measures for the first row of buildings constructed along Grant Line Road. Specifically, all facades shall have windows and doors installed which have a minimum sound transmission class (STC) rating of 35.

This includes all facades parallel or perpendicular to Grant Line Road. As an alternative to this requirement, a detailed assessment of interior noise levels and required noise control measures could be prepared when building plans are available for the proposed apartment units. This analysis shall be conducted by a qualified acoustic engineer and shall outline the specific measures required to comply with the 45 dB Ldn interior noise level standard. Final design plans shall be subject to City review and approval prior to issuance of building permits.

35. Mechanical ventilation shall be installed in all residential uses to allow residents to keep doors and windows closed, as desired for acoustical isolation from traffic and future railroad noise.
36. Prior to the issuance of the first building permit, on-site parking area lighting shall be designed to achieve the City's standard of a minimum one foot candle throughout the entire parking area.
37. The apartment building elevations in view from Grant Line Road shall include additional architectural embellishments, such as the accent stone used on the clubhouse buildings, subject to the review and approval of the Development Services Director.

C. Engineering Division Conditions of Approval

C.1. Grading Permit

The City will not accept grading permit application for the Project until the Developer has provided all relevant documents related to said grading permit required by the applicable City Regulations and these Conditions of Approval, to the satisfaction of the City Engineer, including, but not limited to, the following:

- C.1.1 Grading and Drainage Plans prepared on a 24" x 36" size polyester film (mylar). Grading and Drainage Plans shall be prepared under the supervision of, and stamped and signed by a Registered Civil Engineer.
- C.1.2 Payment of the applicable Grading Permit fees which include grading plan checking and inspection fees, and other applicable fees as required by these Conditions of Approval.
- C.1.3 Three (3) sets of the Storm Water Pollution Prevention Plan (SWPPP) for the Project with a copy of the Notice of Intent (NOI) submitted to the State Water Quality Control Board (SWQCB) and any relevant documentation or written approvals from the SWQCB, including the Wastewater Discharge Identification Number (WDID#).
 - C.1.3.1 After the completion of the Project, the Developer is responsible for filing the Notice of Termination (NOT) required by SWQCB. The Developer shall provide the City with a copy of the completed Notice of Termination.
 - C.1.3.2 The cost of preparing the SWPPP, NOI and NOT, including the filing fee of the NOI and NOT, shall be paid by the Developer.
 - C.1.3.3 The Developer shall comply with all the requirements of the SWPPP and applicable Best Management Practices (BMPs) and the applicable provisions of the City's Storm Water Management Program.
- C.1.1. Two (2) sets of the Project's Geo-technical Report signed and stamped by a licensed Geo-technical Engineer licensed to practice in the State of California, as required in Condition C.3.1(a), below. The technical report must include

- relevant information related to soil types and characteristics, soil bearing capacity, percolation rate, and elevation of the highest observed groundwater level.
- C.1.2. A copy of the Approved Fugitive Dust and Emissions Control Plan that meets San Joaquin Valley Air Pollution Control District (SJVAPCD) as required in Mitigation Measure 4.5-1 and 4.5-2 of the Mitigation Monitoring and Reporting Program of the Addendum to the Filios/Dobler Annexation & Development Project Environmental Impact Report (Filios/Dobler EIR).
 - C.1.3. Documentation of any necessary authorizations from Regional Water Quality Control Board (RWQCB) as required in the applicable mitigation measures identified in the Filios/Dobler EIR.
 - C.1.4. Two (2) sets of Hydrologic and Storm Drainage Calculations for the design of the on-site storm drainage system and for determining the size of the project's storm drainage connection, as required in Conditions C.3.1(e) and (g), below.
- C.2. Encroachment Permit - No applications for encroachment permit will be accepted by the City as complete until the Developer provides all relevant documents related to said encroachment permit required by the applicable City Regulations and these Conditions of Approval, to the satisfaction of the City Engineer, including, but not limited to, the following:
- C.2.1. Improvement Plans prepared on a 24" x 36" size 4-mil thick polyester film (mylar) and these Conditions of Approval. Improvement Plans shall be prepared under the supervision of, and stamped and signed by a Registered Civil, Traffic, Electrical, Mechanical Engineer, and Registered Landscape Architect for the relevant work.
 - C.2.2. Two (2) sets of structural calculations signed and stamped by a Structural Engineer licensed in the State of California, as required in Condition C.3.1 (b), below.
 - C.2.3. Signed and stamped Engineer's Estimate that summarizes the cost of constructing all the public improvements shown on the Improvement Plans.
 - C.2.4. Signed and notarized Offsite Improvement Agreement (OIA) and Improvement Security, to guarantee completion of the identified public improvements that are necessary to serve the Project as required by these Conditions of Approval. The form and amount of Improvement Security shall be in accordance with Section 12.36.080 of the Tracy Municipal Code (TMC), and the OIA. The Developer's obligations in the OIA shall be deemed to be satisfied upon City Council's acceptance of the public improvements and release of the Improvement Security.
 - C.2.5. Signed and notarized Deferred Improvement Agreement (DIA) and Improvement Security, to allow deferral of completion of improvements as required by these Conditions of Approval. The form and amount of Improvement Security shall be in accordance with the DIA and Section 12.36.080 of the TMC. The Developer's obligations in the DIA shall be deemed to be satisfied upon the release of the Improvement Security.
 - C.2.6. Check payment for the applicable of engineering review fees which include plan checking, permit and agreement processing, testing, construction inspection, and other applicable fees as required by these Conditions of Approval. The engineering review fees will be calculated based on the fee rate adopted by the City Council on April 15, 2014, per Resolution 2014-059.

- C.2.7. Traffic Control Plan signed and stamped by a Registered Civil Engineer or Traffic Engineer licensed in the State of California, as required in Condition C.3.3, below.
- C.2.8. Signed and notarized Pipeline Crossing Agreement with UPRR, for the installation, use, repair, and maintenance of the Project's permanent water connection from Byron Road through the UPRR right-of-way, as required in Condition 3.2(h), below.
- C.3. Improvement Plans - Improvement Plans shall contain the design, construction details and specifications of public improvements that is/are necessary to serve the Project and as . The Improvement Plans shall be drawn on a 24" x 36" size 4-mil thick polyester film (mylar) and shall be prepared under the supervision of, and stamped and signed by a Registered Civil, Traffic, Electrical, Mechanical Engineer, and Registered Landscape Architect for the relevant work. The Improvement Plans shall be completed to comply with City Regulations, these Conditions of Approval, and the following requirements:
- C.3.1 Grading and Storm Drainage Plans
- Site Grading
- a) Include all proposed erosion control methods and construction details to be employed and specify materials to be used. All grading work shall be performed and completed in accordance with the recommendation(s) of the Project's Geo-technical Engineer. A copy of the Project's Geo-technical Report must be submitted with the Grading and Storm Drainage Plans.
 - b) When the grade differential between the Project Site and adjacent property(s) exceeds 12 inches, a reinforced or masonry block, or engineered retaining wall is required for retaining soil. The Grading Plan shall show construction detail(s) of the retaining wall or masonry wall. The entire retaining wall and footing shall be constructed within the Project Site. A structural calculation shall be submitted with the Grading and Storm Drainage Plans.
 - c) An engineered fill may be accepted as a substitute of a retaining wall, if the grade differential is less than 2 feet and subject to approval by the City Engineer. The Grading and Storm Drainage Plans must show the extent of the slope easement(s). The Developer shall be responsible for obtaining permission from owner(s) of the adjacent and affected property(s). The slope easement must be recorded, prior to the issuance of the final building certificate of occupancy.
 - d) Site grading shall be designed such that the Project's storm water can surface drain directly to a public street that has a functional storm drainage system with adequate capacity to drain storm water from the Project Site, in the event that the on-site storm drainage system fails or it is clogged. The storm drainage release point is recommended to be at least 0.70 foot lower than the building finish floor elevation and shall be improved to the satisfaction of the City Engineer.
- Storm Drainage
- e) The Developer shall design and install the Project's permanent drainage connection(s) to the City's existing storm facility located on Grant Line Road/ Lammers Road per City Regulations and as approved by the City Engineer. Storm drainage calculations for the sizing of the on-site storm drainage

- system and the Project's permanent storm drainage connection must be submitted with the Improvement Plans.
- f) The Project's permanent storm drainage connection(s) shall be designed and constructed to drain by gravity to the City's Westside Storm Drainage Outfall System (Detention Basin 10/11 or DB 10/11). The Project's permanent storm drainage connection(s) shall include the installation of a storm drain pipeline (with adequate capacity) on Grant Line Road from the Property to the existing reinforced concrete junction structure located on Grant Line Road and Lammers Road, and shall be completed by the Developer, prior to any paving work within the Property.
 - g) The design and construction details of the Project's permanent storm drainage connection shall meet City Regulations and shall comply with the applicable requirements of the City's Storm Water Quality Control Standards and storm water regulations that were adopted by the City Council in 2008 and any subsequent amendments. The design and construction details of the Project's permanent storm drainage connection shall be incorporated in the Offsite Improvement Plans.
 - h) Prior to the final inspection of the first building to be constructed on the Property, the Developer shall submit a signed and notarized Stormwater Treatment Facilities Maintenance Agreement (STFMA) as a guarantee for the performance of Developer's responsibility towards the repair and maintenance of on-site storm water treatment facilities. Calculations related to the design and sizing of on-site storm water treatment facilities must be submitted with the STFMA and the Grading and Storm Drainage Plans.

C.3.2 Offsite Improvement Plans
Sanitary Sewer

- a) Temporary Sewer Connection - The City will allow the Developer to install a private sewer connection to the existing Hansen Sewer Collection System near the southeast corner of the Property as a temporary sewer connection in the interim condition until such time that a permanent sanitary sewer facility for the Project on Lammers Road ("Westside Catchment Sewer System") is constructed and becomes available for connection by the approved users. It is the Developer's responsibility to design and install a gravity sewer pipeline from the Property to the Westside Catchment Sewer System on the location approved by the City.

The Developer shall design and construct all on-site sewer improvements such that the Project's permanent sewer connection shall function as a gravity sewer line. A drop sewer manhole will be required at the point of connection with the Hansen Sewer Collection System. The Developer shall obtain Encroachment Permit, and pay plan checking and engineering inspection fees, prior to starting work within the City's sewer easement. The Developer is responsible for repairing and maintaining the temporary sewer connection up to the drop sewer manhole.

The City will be responsible for repairing and maintaining the drop sewer manhole. Prior to the issuance of the certificate of occupancy of the first building within the Property, the Developer shall dedicate to the City, a 10 foot wide permanent sanitary sewer easement from Grant Line Road to the

point of connection with Hansen Sewer Collection System, for City's access to the drop sewer manhole. All requirements relating to access and maintenance by the Public Works Department shall be incorporated into the design of on-site improvements. The Grant of Easement must be filed at the Office of the San Joaquin County Recorder, prior to the issuance of Encroachment Permit. The Developer is responsible for all costs associated in dedicating the necessary easement(s) to the City including the cost of preliminary title report, and preparing the easement document, legal description and plat map.

The Developer shall remove the temporary sewer connection when the permanent sewer connection is constructed. In order to guarantee completion of the Developer's obligation to remove the temporary sewer connection, the Developer shall sign an improvement agreement (Deferred Improvement Agreement), prior to the issuance of the building permit of the first building to be constructed within the Property.

- b) Permanent Sewer Connection - According to the Tracy Wastewater Master Plan (TWMP) that was adopted by the City Council on January 15, 2013, per Resolution 2013-008, the Property is within the planned service area of the Westside Catchment Sewer System (Page 5-1 of the TWMP). In the ultimate condition, the Property is to be served by the Westside Catchment Sewer System (Figure 5-1 of the TWMP). The Developer is responsible to design and construct a permanent sewer line with adequate capacity to serve the Project from the Property to the Westside Catchment Sewer System.

Option 1 (Utilize Hansen Sewer Collection System) – Per the TWMP, the Hansen Sewer Collection System is not considered as a sewer conveyance facility in the ultimate condition for this Property. The City may allow the Developer to utilize the Hansen Sewer Collection System as part of the permanent sewer connection to convey sewage from the Property to the Westside Catchment Sewer System, if the City Council approves the amendment to the TWMP, and if the method of conveying the sewage including the design and construction details of the proposed sewer connection meets the approval of the City Engineer. The City will engage the services of the City's Sewer Consultant, to assist the City Engineer in the review of the design and construction details of the proposed sewer connection. The Developer will pay for the cost of amending the TWMP including the cost of City Consultant(s) services at the time the Developer submits a written request to amend the TWMP.

Option 2 (Gravity Sewer Line on Grant Line Road) – The Project can be served by a new gravity sewer line on Grant Line Road from the Property to the Westside Catchment Sewer System. With this option, the City agreed to accept a cash payment in the amount \$260,000 (In-Lieu Fee) which represents the Project's proportional share towards the cost of designing and installing a new gravity sewer line on Grant Line Road from the Property to the Westside Catchment Sewer System. The In-Lieu Fee shall include cost of shoring and dewatering of trenches, protecting affected utilities, traffic

control, replacing asphalt concrete pavement, reconstructing curb, gutter and sidewalk, restoring pavement markings and striping, and other streets and utilities improvements that are disturbed as a result of installing the gravity sewer line on Grant Line Road. The In-Lieu Fee also includes cost of design, plan checking, engineering inspection, and testing. Developer may request establishment of a Benefit District for reimbursement of fair share costs by any future users of this sewer line installed by the Developer. The Developer shall deliver the In-Lieu Fee to the City at the time of issuance of the building permit for the first building to be constructed within the Property. If the Developer pursues this option, there are certain improvements that are to be designed and constructed by the Developer as part of the on-site improvements. The improvements include a gravity sewer line from the Project to Grant Line Road and a new sewer manhole on Grant Line Road. The new sewer manhole on Grant Line Road shall be located on the travel lane on the westbound Grant Line Road.

- c) Prior to the issuance of Grading Permit for the Project, Developer shall submit improvement plans and secure approval of plans from the City's Building Division, for the design of on-site sewer improvements and the Project's temporary sewer connection.

Water Distribution System

- d) Water Distribution Mains on Grant Line Road and Byron Road - The City's Water Consultant (West Yost & Associates) has completed the technical evaluation of the ability of the City's existing water distribution system to meet required minimum pressures and flows for the proposed Project. The results of that analysis are included in the Technical Memorandum dated August 4, 2014 entitled "Hydraulic Evaluation of Grant Line Road Apartments" (Technical Report). The Developer shall comply with all the recommendations in the Technical Report. All water connections that are bigger than 2 inches in diameter shall be Ductile Iron Pipe (DIP).

The Developer shall complete the design and installation of the 16-inch diameter DIP on Grant Line Road and 12-inch diameter DIP on Byron Road and under the Union Pacific Railroad Company (UPRR) property (Offsite Water Line Improvements) and the Project's permanent water connections as described in the Technical Report, prior to final inspection of the first building to be constructed within the Property.

In order to guarantee completion of the Offsite Water Line Improvements, the Developer shall enter into an improvement agreement (Offsite Improvement Agreement or OIA) and post improvement security in the amounts and form in accordance with section 12.36.080 of the TMC, and as required by these Conditions of Approval. The Developer shall submit the signed and notarized OIA with the necessary improvement security, prior to the issuance of the Grading Permit. If the Developer completes the installation of the Offsite Water Line Improvements, the Developer will be entitled to fee credit in accordance with the OIA and Title 13 of the TMC. Fee credits shall apply to

the program portion of the Offsite Water Line Improvements. The amount of fee credit shall be determined during the review of improvement plans. All costs associated with the installation of the Project's permanent water connection(s) as identified in the Technical Report including the cost of removing and replacing asphalt concrete pavement, pavement marking and striping such as crosswalk lines and lane line markings, replacing traffic detecting loops, conduits, and wires, relocating existing utilities that may be in conflict with the water connection(s), and other improvements shall be paid by the Developer.

If water main shut down is necessary, the City will allow a maximum of 4 hours water supply shutdown. The Developer shall be responsible for notifying residents or business owner(s), regarding the water main shutdown. The written notice, as approved by the City Engineer, shall be delivered to the affected residents or business owner(s) at least 72 hours before the water main shutdown. Prior to starting the work described in this section, the Developer shall submit a Water Shutdown Plan and Traffic Control Plan to be used during the installation of the offsite water mains.

- e) Other Offsite Water Line Improvements – The Technical Report identified certain improvements to the existing water distribution system that are needed to correct the existing deficiencies of the water distribution system and to mitigate for the impacts of the Project (Attachment A of the Technical Report). These improvements include the following:
- Replacing the existing 12-inch diameter water main on Sixth Street with an 18-inch diameter DIP T-main.
 - Replacing the existing 12-inch diameter water main on Tracy Boulevard with an 18-inch diameter DIP T-main.
 - Upsizing of an existing 12-inch diameter pipeline located on Eleventh Street, east of Tracy Boulevard with a 16-inch diameter DIP pipe.
- The City will construct these water line upgrade improvements as part of its Water Facility Capital Improvement Program. The Developer's responsibility will be considered to have been fully satisfied upon payment of the water development impact fees specified in Condition C4.1, below.

- f) Domestic and Irrigation Water Services – The Developer shall design and install domestic and irrigation water service connection, including a remote-read master water meter (the water meter to be located within City's right-of-way) and a Reduced Pressure Type back-flow protection device in accordance with City Regulations. The City will allow two remote-read master water meters for the Project, one remote-read master water meter for each residential phase. The domestic and irrigation water service connection(s) must be completed before the final inspection of the building. Sub-metering will be allowed within private property. The City will not perform water consumption reading on sub-meters. The Developer will be responsible for relocating or reinstalling water sub-meters.

The City shall maintain water lines from the master water meter to the point of connection with the water distribution main (inclusive) only. Repair and maintenance of all on-site water lines, laterals, sub-meters, valves, fittings, fire hydrant and appurtenances shall be the responsibility of the Developer.

- g) Fire Service Line – The Developer shall design and install fire hydrants at the locations approved by the City’s Fire Safety Officer and Chief Building Official. Prior to the approval of the Improvement Plans, the Developer shall obtain written approval from the City’s Fire Safety Officer and Chief Building Official, for the design, location and construction details of the fire service connection to the Project, and for the location and spacing of fire hydrants that are to be installed to serve the Project.
- h) UPRR Water Line Crossing - The proposed water line crossing within the UPRR property will require written permission or pipeline crossing agreement and permanent irrevocable utility easement from UPRR. The Developer shall submit a signed pipeline crossing agreement prior to starting work within UPRR’s right-of-way. The Developer shall pay all costs associated with obtaining written permission and a pipeline crossing agreement with UPRR and the granting of the necessary utility easements. The pipeline crossing agreement will require approval from the City Council. The Developer shall also obtain tunnel classification relative to flammable gas or vapors, and submit all required documentation to meet applicable requirements of the California Occupational Safety and Health Administration. The Developer shall provide the City the tunnel classification issued by the Cal-OSHA Department of Industrial Relations, prior to starting the work.

Street Improvements:

- i) Roadway Improvements Frontage Responsibility – Per the Citywide Roadway & Transportation Master Plan (CRTMP) that was adopted by the City Council on November 26, 2012, pursuant to Resolution 2012-240, Grant Line Road between Lammers Road and Byron Road will be a 4-lane major arterial street with a minimum right-of-way of 97 feet. According to the CRTMP (Figure 5.1 – Roadway Improvement Cross Section Responsibility per Frontage Policy), the Developer is responsible to design and construct the outside travel lane (plus shoulder) and the landscape strip behind the curb up to the property line. Any travel lane(s) or left-turn and right-turn lane(s) along the Property’s frontage or at all the access points on Grant Line Road that are provided and are necessary to meet access spacing requirements are considered to be site specific offsite improvements and they are Developer’s responsibility to design and construct without any reimbursement from the City.
- j) Right-of-Way on Grant Line Road – The Developer shall dedicate right-of-way along the entire frontage of the Property on Grant Line with variable width of 35.5 feet and approximately 45.5 feet at the bus-turn out measured from the existing right-of-way line of Grant Line Road towards the Property. The Developer shall execute a Grant Deed to convey the land in fee title

and submit legal description and plat map that describes the area to be dedicated, prior to City Council's acceptance of the public improvements. The cost of right-of-way dedication including the cost of preparing the legal description and plat map will be paid by the Developer.

The Developer will be required to offer to the City for dedication all lands that are required for extending for the proposed pedestrian and bike path improvements on Grant Line Road, if necessary. The offer of dedication for roadway right-of-way described above has to be made and filed at the Office of the San Joaquin County Recorder, prior to the acceptance of the public improvements.

The City will assume responsibility to maintain the public improvements and accept the offer of dedication for right-of-way on Grant Line Road after the City Council accepts the public improvements.

- k) Frontage Improvements on Grant Line Road – The Developer shall design and construct all roadway improvements on Grant Line Road that is necessary to provide safe and functional access(s) to the Project for each phase and at Project's build-out condition, as described by the Technical Memorandum prepared by Kimley-Horn and Associates, titled "Grant Line Apartments Phase 1, Phase 2 and Ultimate Layouts" dated August 20, 2014 (Traffic Report), and as required by these Conditions of Approval and as approved by the City Engineer. The Traffic Report is on file with the Office of the City Engineer and is available for review upon request.
- Phase 1 - The roadway improvements required to serve Phase 1 involves the widening of the south side of Grant Line Road along the frontage of Phase 1 and pavement transitions on both sides of Phase 1 on Grant Line Road and other improvements which includes but not limited to, the installation of new asphalt concrete pavement, concrete curb, gutter, sidewalk, driveway, Class II bike lane(s), handicap ramp(s), crosswalk, bus shelter with turnout and associated improvements, and parkway landscaping improvements with automatic irrigation system (Motorola Controller), storm drainage, catch basin/ drop inlet, fire hydrant, domestic, irrigation and fire services street light, traffic sign(s), pavement marking and striping along the entire frontage of Phase 1 on Grant Line Road, and other improvements such as barricade, signing, and striping that are necessary to provide a safe transition to and from a widen roadway section of Grant Line Road (Phase 1 Roadway Improvements). The Phase 1 Roadway Improvements include the installation of a traffic signal at the intersection of the main entrance to the Phase 1 development with Grant Line Road. The intersection improvements will include but not limited to, traffic detection loops, traffic loops pull boxes, conduits and wires, audible pedestrian warning, electronic sign, crosswalk, pavement legend and marking, lane marking, traffic sign, and other improvements as determined by the City Engineer that are deemed to be necessary to have a safe and functional traffic signal. Design and construction of Phase 1 Roadway Improvements shall be completed by the Developer, prior to final inspection of the first building to be constructed within the Property.

Phase 2 - The roadway improvements involved is generally the widening of the south side of Grant Line Road along the entire frontage of the Property including the required pavement transitions and other improvements which includes but not limited to, the installation of new asphalt concrete pavement, concrete curb, gutter, sidewalk, driveway, Class II bike lane(s), raised median with landscaping, handicap ramp(s), crosswalk, , and parkway landscaping improvements with automatic irrigation system (Motorola Controller), storm drainage, catch basin/ drop inlet, fire hydrant, domestic, irrigation and fire services street light, traffic sign(s), pavement marking and striping along the entire frontage of the Property on Grant Line Road, and other improvements such as temporary asphalt concrete paving, barricade and guardrail, signing, and striping that are necessary to provide a safe transition to and from a widen roadway section of Grant Line Road (Phase 2 Roadway Improvements). The Phase 2 Roadway Improvements include the construction of the one main entrance and one driveway on Grant Line Road. Design and construction of Phase 2 Roadway Improvements shall be completed by the Developer, prior to final inspection of the first building to be constructed within the Property.

If the Developer completes the construction of roadway improvements on Grant Line Road as described in these Conditions of Approval, the Developer may be entitled to reimbursement for the program portion of the roadway improvements on Grant Line Road in accordance with the OIA and Title 13 of the Tracy Municipal Code. The amount of reimbursement shall be determined during the review of improvement plans.

- l) Offsite Improvement Agreement – Prior to starting any work on either the Phase 1 Roadway Improvements or Phase 2 Roadway Improvements, the Developer shall sign an improvement agreement (Offsite Improvement Agreement or OIA) and post improvement security in accordance with Section 12.36.080 of the TMC, to guarantee completion of the public improvements. The OIA requires approval from the City Council.

Prior to the approval of the OIA, the Developer will be required to submit Improvement Plans that contains the design, construction details and specifications of all public improvements that are required to serve the Project, prepared in a 24" x 36" size polyester film (mylar), signed and stamped by the Design Engineer, for City's approval and signature. The Developer shall also submit Technical Specifications and Cost Estimates. All engineering calculations for the design of the improvements must be submitted as part of the Improvement Plans.

The Developer will be required to pay Engineering Review Fees which include plan checking, agreement and permit processing, testing, engineering inspection, and program management fees, prior to the approval of the OIA.

- m) The Technical Memorandum prepared by Kimley-Horn and Associates, titled "Tracy Grant Line Apartments TIA Consistency Memorandum" dated

August 19, 2014 and the Memorandum dated August 21, 2014 titled "Grant Line Apartments: Apartments Project Only Conditions of Approval" from Kimley Horn and Associates (Traffic Impact Report) identified the Project's traffic impacts that are to be mitigated by the Developer and the recommended mitigations are summarized below. The Traffic Impact Report is on file with the Office of the City Engineer and is available for review upon request.

Grant Line Road/ Corral Hollow Road – Prior to issuance of the first building permit within the Project, the Developer shall pay \$28,080 for the fair share cost of the Project towards lengthening the northbound left-turn lanes and modifying (or shortening) of the bay taper on Corral Hollow Road, to provide additional left-turn storage from Corral Hollow Road onto Grant Line Road. The City will be responsible for modifying the traffic signal timing plan.

- n) The Developer shall grant access rights to the City for the use, operation, repair, and maintenance of traffic detecting loops, wires, conduits, and pull boxes that will be located within the Property. The Developer submit a signed and notarized Grant of Easement and provide legal description and plat map that describes the easement area, for the dedication of the utility easement described above, prior to the acceptance of the public improvements. The Developer shall pay for the cost of dedicating easement and preparing the legal description and plat map.
- o) To provide pedestrian access to the Project from existing developments on Grant Line Road, the Developer is required to install an interim sidewalk on Grant Line Road from the Property to the existing sidewalk on Grant Line Road in front of the Walmart/Costco area. The interim sidewalk shall have a structural section of 3" asphalt concrete and 8" Class II aggregate base and shall be installed within the existing right-of-way and on the south side of Grant Line Road along the Dobler Property. The design and construct details of the interim sidewalk shall be included on the Offsite Improvement Plans. Cost of designing and constructing the interim sidewalk shall be paid by the Developer without any reimbursement from the City.
- p) The construction details and specifications of the two bus shelter(s) on Grant Line Road shall be provided by the City at the time of review of Offsite Improvement Plans. The cost of the bus shelters and turnout and associated improvements are to be paid by the Developer without any reimbursement from the City.
- q) The westernmost driveway shall be designed to function as a joint driveway (future) to provide access to Maibe's property. Private Access Easement to facilitate future improvements (by Maibe's property to connect to this driveway) and access at this driveway shall be recorded with the County Recorders' Office. Details of the right-in/right-out driveway to be installed with Phase 2 Roadway Improvements, layout of the future joint access, private access easement configuration, future modifications including removal and reconstruction of improvements within the access easement will

be finalized during the review of the improvement plans for Phase 2 Roadway Improvements and shall be as acceptable to the City Engineer.

- r) All roadway improvements described in these Conditions of Approval must be designed and constructed by the Developer to meet the applicable requirements of the latest edition of the California Department of Transportation Highway Design Manual (HDM) and the California Manual of Uniform Traffic Control Devices (MUTCD), all applicable City Regulations, and these Conditions of Approval, prior to final inspection of the first building to be constructed within the Property.

C.3.3 Traffic Control Plan - Prior to starting the work for the Project's permanent sewer connection on Grant Line Road (gravity sewer line from the Property to the sewer manhole on the north side of Grant Line Road), Phase 1 Roadway Improvements, Phase 2 Roadway Improvements, the Project's permanent storm drainage connection, and any work within City's right-of-way on Grant Line Road, Lammers Road, and Byron Road, the Developer shall submit a Traffic Control Plan, to show the method and type of construction signs to be used for regulating traffic at the work areas within these streets. The Traffic Control Plan shall be prepared by a Civil Engineer or Traffic Engineer licensed to practice in the State of California.

C.3.4 Joint Utility Trench Plans – All existing overhead utilities along the frontage of the Project on Grant Line Road shall be converted into an underground facility. Developer shall prepare joint trench plans in compliance with utility companies' requirements and City regulations, and obtain approval of the plans. All private utility services to serve Project such as electric, telephone and cable TV to the building must be installed underground, and to be installed at the location approved by the respective owner(s) of the utilities. The Developer shall submit Joint Utility Trench Plans for the installation of electric, gas, telephone and TV cable main and service lines that are necessary to be installed to serve the Project. These utilities shall be installed within the 10-foot wide Public Utility Easement (PUE) that will be offered for dedication to the City. The Developer shall coordinate, as feasible, with the respective owner(s) of the utilities for the design of these underground utilities to ensure they can be installed within the 10-foot wide PUE to the extent feasible (and except in the event, that additional space beyond the 10-foot PUE is required, as determined by the utilities owner(s)).

Pavement cuts or utility trench(s) on existing street(s) for the installation of water distribution main, storm drain, sewer line, electric, gas, cable TV, and telephone will require the application of 2" asphalt concrete overlay and replacement of pavement striping and marking that are disturbed during construction. The limits of asphalt concrete overlay shall be 25 feet from both sides of the trench, and shall extend over the entire width of the adjacent travel lane(s) if pavement excavation encroaches to the adjacent travel lane or up to the street centerline or the median curb. If the utility trench extends beyond the street centerline, the asphalt concrete overlay shall be applied over the entire width of the street (to the lip of gutter or edge of pavement, whichever applies).

C.3.5 Irrigation and Landscaping Plans - All parkway and median landscaping improvements along the frontage of the Property on Grant Line Road shall be

designed and constructed in accordance with City Regulations and completed as part of the Phase 1 Roadway Improvements or Phase 2 Roadway Improvements. Design and construction details of these improvements shall be included in the Irrigation and Landscaping Plans.

- C.4. Building Permit - No building permit will be approved by the City until the Developer demonstrates, to the satisfaction of the City Engineer, compliance with all required Conditions of Approval, including, but not limited to, the following:
- C.4.1. Payment of the Master Plan Fees for Citywide Roadway and Traffic, Water, Recycled Water, Wastewater, Storm Drainage, Public Safety, Public Facilities, and Park adopted by the City Council on January 7, 2014, per Resolution 2014-010, as required by these Conditions of Approval.
 - C.4.2. Payment of the San Joaquin County Facilities Fees as required in Chapter 13.24 of the TMC, and these Conditions of Approval.
 - C.4.3. Payment of the Agricultural Conversion or Mitigation Fee as required in Chapter 13.28 of the TMC, Mitigation Measure 4.4-1 of the Filios/Dobler EIR, and these Conditions of Approval.
 - C.4.4. Payment of the Regional Transportation Impact Fees (RTIF) as required in Chapter 13.32 of the TMC, and these Conditions of Approval.
- C.5. Acceptance of Public Improvements - Public improvements will not be accepted by the City Council until after the Developer completes construction of the relevant public improvements, and also demonstrates to the City Engineer satisfactory completion of the following:
- C.5.1. Correction of all items listed in the deficiency report prepared by the assigned Engineering Inspector relating to public improvements subject to City Council's acceptance.
 - C.5.2. Certified "As-Built" Improvement Plans (or Record Drawings). Upon completion of the construction by the Developer, the City shall temporarily release the originals of the Improvement Plans to the Developer so that the Developer will be able to document revisions to show the "As Built" configuration of all improvements.
 - C.5.3. Signed and notarized Grant Deed(s) with legal description(s) and plat map(s) for the offer of dedication of right-of-way for portion of Grant Line Road, as required in Condition C.3.2(k), above.
 - C.5.4. Signed and notarized Grant of Easement with legal description and plat map, for the offer of dedication of access easement for the use, repair, and maintenance of traffic detecting loops at the eastern main entrance, as required in Condition C.3.2(o), above.
 - C.5.5. Reasonable written permission from irrigation district or affected owner(s), if applicable, as required in Condition C.10.4, below. The cost of relocating and/or removing irrigation facilities and/or tile drains is the sole responsibility of the Developer.
- C.6. Temporary or Final Building Certificate of Occupancy - No Temporary or Final Building Certificate of Occupancy will be issued by the City until after the Developer provides reasonable documentation which demonstrates, to the satisfaction of the City Engineer, that:
- C.6.1. The Developer has satisfied all the requirements set forth in Condition C.5, above.

- C.6.2. The Developer has completed construction of all required public facilities for the building for which a certificate of occupancy is requested and all the improvements required in these Conditions of Approval. Unless specifically provided in these Conditions of Approval, or some other applicable City Regulations, the Developer shall use diligent and good faith efforts in taking all actions necessary to construct all public facilities required to serve the Project, and the Developer 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.7. Improvement Security – The Developer shall provide improvement security for all public facilities, as required by the OIA, DIA, and these Conditions of Approval. The form of the improvement security may be a surety bond, letter of credit or other form in accordance with section 12.36.080 of the TMC. The amount of improvement security shall be as follows:
- C.7.1. Faithful Performance (100% of the estimated cost of constructing the public facilities),
 - C.7.2. Labor & Materials (100% of the estimated cost of constructing the public facilities), and
 - C.7.3. Warranty (10% of the estimated cost of constructing the public facilities)
- C.8. Release of Improvement Security - Improvement Security(s) described herein shall be released to the Developer after City Council's acceptance of public improvements, and after the Developer demonstrates, to the satisfaction of the City Engineer, compliance of these Conditions of Approval, and completion of the following:
- C.8.1. Improvement Security for Faithful Performance, Labor & Materials, and Warranty shall be released to the Developer in accordance with Section 12.36.080 of the TMC.
 - C.8.2. Written request from the Developer and a copy of the recorded Notice of Completion.
- C.9. Benefit District – The Developer may make a written request to the City for the formation of a Benefit District, prior to the approval of improvement plans for the public facility(s) considered to be oversized that benefits other property(s) or development(s). Reimbursement request(s) will be processed in accordance with Chapter 12.60 of the TMC.
- C.10. Special Conditions
- C.10.1 All streets and utilities improvements within City's right-of-way shall be designed and constructed in accordance with City Regulations, and City's Design documents including the City's Facilities Master Plan for storm drainage, roadway, wastewater and water adopted by the City, or as otherwise specifically approved by the City.
 - C.10.2 When street cuts are made for installation of utilities, the Developer is required to install 2 inches thick asphalt concrete overlay with reinforcing fabric at least 25 feet from all sides and for the entire length of the utility trench. A 2 inches deep grind on the existing asphalt concrete pavement will be required where the asphalt concrete overlay will be applied and shall be uniform thickness in order to maintain current pavement grades, cross and longitudinal slopes. If the utility trench extends beyond the median island, the limit of asphalt concrete overlay shall be up to the lip of existing gutter located along that side of the street.

- C.10.3 All existing on-site wells, if any, shall be abandoned or removed in accordance with the City and San Joaquin County requirements. The Developer shall be responsible for all costs associated with the abandonment or removal of the existing well(s) including the cost of permit(s) and inspection. The Developer shall submit a copy of written approval(s) or permit(s) obtained from San Joaquin County regarding the removal and abandonment of any existing well(s), prior to the issuance of the Grading Permit.
- C.10.4 The Developer shall abandon or remove all existing irrigation structures, channels and pipes, if any, as directed by the City after coordination with the irrigation district, if the facilities are no longer required for irrigation purposes. If irrigation facilities including tile drains, if any, are required to remain to serve existing adjacent agricultural uses, the Developer will design, coordinate and construct required modifications to the facilities to the satisfaction of the affected agency and the City. Written permission from irrigation district or affected owner(s) will be required to be submitted to the City prior to the issuance of the Grading Permit. The cost of relocating and/or removing irrigation facilities and/or tile drains is the sole responsibility of the Developer.
- C.10.5 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. This Condition of Approval does not preclude the City from requiring pertinent revisions and additional requirements to the Grading Permit, Encroachment Permit, Building Permit, Improvement Plans, OIA, and DIA, if the City Engineer finds it necessary due to public health and safety reasons, and it is in the best interest of the City. The Developer shall bear all the cost for the inclusion, design, and implementations of such additions and requirements, without reimbursement or any payment from the City.

AGENDA ITEM 4

REQUEST

ADOPT A RESOLUTION AUTHORIZING AMENDMENT NO. 2 TO THE PROFESSIONAL SERVICES AGREEMENT AND SOFTWARE LICENSE AGREEMENT WITH SPILLMAN TECHNOLOGIES, INC. FOR THE COMPUTER AIDED DISPATCH / RECORDS MANAGEMENT SYSTEM TO DISCONTINUE FURTHER WORK AND OBTAIN A PARTIAL REFUND FOR COMPLETED WORK AND AUTHORIZE THE MAYOR TO EXECUTE THE AMENDMENT

EXECUTIVE SUMMARY

On March 6, 2012, the City and Spillman Technologies, Inc. (Spillman) entered into a Professional Services Agreement for the Computer Aided Dispatch/Records Management System.

Due to significant development and implementation difficulties, City staff and Spillman want to amend the Agreement whereby Spillman will reimburse monies to City for all payments made to Spillman, other than those made to purchase hardware, and Spillman will not perform any more work or be entitled to further payment by the City.

DISCUSSION

On March 6, 2012, the City entered into an agreement with Spillman Technologies, Inc. (Spillman) to provide a fully integrated Computer Aided Dispatch (CAD)/Records Management System (RMS) for a Public Safety Information System.

Since the "Go-Live" on January 6, 2014, Spillman has not been able to meet the Department's needs.

Spillman has been attentive to the challenges and has made efforts to address the issues. However, due to the difficulties Spillman and staff have encountered with the multiple interfaces and customization, Staff has determined another solution will be a better fit and result in cost savings for the department.

Spillman is cooperating with the City of Tracy in the plan to transition back to the previous CAD/RMS system and has agreed to refund all non-hardware and training payments that City has made to Spillman over the course of this project (Attachment 1). Under the terms of the Amendment, the City would retain the hardware and other related equipment to be repurposed in the project (Attachment 2) and Spillman would not perform any more work or be entitled to further payment by the City (Attachment 3).

In the interim, the Police Department will revert back to the previous CAD/RMS system until the long term solution is implemented. Staff intends to bring back details of the long term solution to Council in the near future.

STRATEGIC PLAN

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

FISCAL IMPACT

Spillman Contract Services Paid to Date: Implementation: \$784,170
(Software, Hardware, and Training)

Reimbursement from Spillman: (\$628,007)

In March 2012, a Professional Services Agreement (PSA) was approved with Spillman in an amount not to exceed \$2,259,672. Of the \$2,259,672, the City has spent approximately \$784,170 for implementation services, including hardware, software and training costs. The City will incur costs for the project hardware purchased to date, which it still needs, and Spillman has agreed to reimburse the City \$628,007 for the non-hardware costs to date.

RECOMMENDATION

That City Council, by resolution, authorize Amendment No. 2 to the Professional Services and Software License Agreement with Spillman Technologies, Inc. to discontinue further work and obtain a partial refund for completed work and authorize the Mayor to execute the Amendment.

Prepared by: Lani Smith, Support Operations Manager

Reviewed by: Gary R. Hampton Chief of Police
Maria A. Hurtado, Assistant City Manager

Approved by: Troy Brown, City Manager

ATTACHMENTS

- Attachment: 1 – Terms of Amendment – Hardware
- Attachment: 2 – Terms of Amendment – Software, Training, Implementation–Refund to the City
- Attachment: 3 – Terms of Amendment – Cessation of Further Work
- Attachment: 4 – Amendment No. 2 to the Professional Services and Software License Agreement

ATTACHMENT 1 – Terms of Amendment --Hardware

Hardware Costs		Description	Actual cost
Stratus Server	Task 9	Hardware for GIS	\$83,537.34
GIS Server	Task 9	GIS for to connect to City GIS	\$6,715.00
HIPLINK Server	Task 9	Paging function for dispatchers.	\$6,715.00
Insight Broker	Task 9	Interface for booking photos.	\$8,960.65
GE SFP, LC Connector	Task 9	Hardware for GIS	\$1,000.00
Dispatch Workstation Delivery	Task 9	Install base computer	\$34,265.00
Dispatch Monitor Exchange	Task 9	Upgrade to larger monitors	\$5,546.00
Dispatch Computers DP-DVI	Task 9	Hardware	\$473.97
CISCO 3560 24 Port Switch	Task 9	Hardware connectivity.	\$6,050.00
8x5xNBD	Task 9	Hardware	\$395.00
Total of Hardware to be retained by Tracy Police			\$156,163.45

(Note: The above hardware costs are the actuals. The costs identified in the Task are estimated. Some additional hardware costs were associated with the implementation. Specifically, the dispatch monitors were exchanged for larger ones for accessibility of the dispatchers. The cost for the exchange and cables was \$11,988).

ATTACHMENT 2-Terms of Amendment
Software, Training, Implementation-Refund to City

TASK	Statement of Work	Project Task and Responsibilities	Cost
Pre-Implementation Meeting	Task 1	On-site meeting with Project Team for Pre-Implementation. Review scope of work, verify hardware, pre-installation, demonstration and training.	\$25,000.00
Project Analysis and Planning	Task 2	Identify processes and operations, configure software, conduct workflow and detailed network analysis.	\$25,000.00
Network Evaluation	Task 2	Spillman will order third party software and install.	\$48,480.00
Order Third Party Products	Task 6		\$23,250.00
Install CAD Software on Server	Task 10	Install software, create user accounts, configure databases, initiate installation of external interfaces, install client on PCs, Install client on mobile computers.	\$69,315.00
Install RMS Software on the Server	Task 10		\$199,440.00
Install AFR Software on the Server	Task 10		\$23,388.00
Install Mobile Data Software on Server	Task 10		\$88,854.00
Training	Task 16	Spillman will conduct training course specifically for the Project Team.	\$125,280.00
Total refund to City			\$628,007.00

The following Tasks are part of the Statement of Work but do not have a monetary cost associated: Task 3, Finalize Project Plan, Task 4, Hold Project Kick Off Meeting, Task 5, Order Hardware, Task 7, Develop Data Entry Standards, Task 8, Conduct First Onsite Map Training, Task 11, Configure External Interfaces, Task 12, Conduct Project Team Training, Task 13, Conduct System Administration Training, Task 14, Conduct Follow Up Onsite Map Trainings, *Task 15,(Not completed, Conduct Functional Testing).*

ATTACHMENT 3-Terms of Amendment
Cessation of Further Work

TASK	SOW	Description of task	Cost
Other Hardware as Delivered	Task 10	Install base computer with OS for handheld devices.	\$5,454
Install Mobile handheld solution on the server	Task 10		\$64,939
Installation services	Task 10		\$13,648
(*Tasks 11,12,13,14,15 have no monetary cost)	Tasks 11-15	Task work only	\$0
Training (See Reimbursed)	Task 16	Training	\$0
Go-Live	Task 17	<i>Cut Over to live operations will take place with each subsystem one the subsystem has completed Functional Testing. After cutover, Spillman will assist customer with the initial live database entry, proving guidance and training.</i>	\$261,627
Final System Acceptance	Task 18	Completion of all obligations as defined in the Agreement.	\$1,129,836
Total no longer to be performed/no longer to be paid			\$1,475,504

AMENDMENT NO. 2 TO THE PROFESSIONAL SERVICES AND SOFTWARE LICENSE AGREEMENT BETWEEN SPILLMAN TECHNOLOGIES, INC. AND THE CITY OF TRACY, CALIFORNIA

This Amendment No. 2 (hereinafter "Amendment") to the Professional Services and Software License Agreement between Spillman Technologies, Inc. and the City of Tracy, California is made and entered into effective as of the date signed by both parties below (the "Amendment Effective Date"), by and between the City of Tracy (hereinafter "City"), and Spillman Technologies, Inc., ("Spillman"). All capitalized terms used and not otherwise defined in this Amendment will have the definitions given to such terms in the Agreement (as defined in Recital A).

RECITALS

- A. The City and Spillman entered into a Professional Services and Software License Agreement ("Agreement") for the Computer Aided Dispatch/Records Management System (the "Project") which was approved by the City Council on March 6, 2012, pursuant to Resolution No. 2012-044.
- B. Significant difficulties in implementing the Project have occurred and the City and Spillman mutually desire to amend the Agreement as set forth in this Amendment, whereby Spillman will reimburse monies to City for all payments made to Spillman, other than those made to purchase hardware, as of the date of this Amendment, and Spillman will not perform any more work or be entitled to further payment from City.

NOW THEREFORE, IN CONSIDERATION OF THE FOREGOING RECITALS, THE MUTUAL AGREEMENTS SET FORTH HEREIN AND THE MUTUAL BENEFITS TO BE DERIVED FROM THIS AMENDMENT, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

- 1. **Recitals True and Correct.** The above Recitals are true and correct.
- 2. **Terms of Amendment—Hardware.** The parties agree that Spillman has provided the hardware described in Attachment 1 to this Amendment, attached hereto and made a part hereof, and City has paid Spillman \$156,163.45 for same. City will retain such hardware and Spillman will retain the \$156,163.45 amount paid for such hardware. The parties agree that City has fully satisfied its obligations to Spillman for the hardware described in Attachment 1.
- 3. **Terms of Amendment—Software, Training, and Implementation—Refund to City.** The parties agree that Spillman has provided the Software, training, implementation, and other services set forth in Attachment 2 to this Amendment, attached hereto and made a part hereof, but that, due to the parties' mutual decision to discontinue further work on the Project as set forth herein, City received no benefit for such Software, training, implementation, and other services. The City will return such Software to Spillman within 30 days of the Amendment Effective Date, to the extent such Software has not already been returned to Spillman, and will delete all copies thereof in its possession or control, including backup and archival copies. Spillman shall pay to City the amount of \$628,007 in connection with such Software, training, implementation, and other services. Such amount will be due in three equal payments of \$209,335.66, with the first payment due and payable no later than 30 days after the Amendment Effective Date and the second payment due and payable no later than 60 days after the Amendment Effective Date, final payment due and payable no

later than 90 days after the Amendment Effective Date. The parties agree that City shall have no further obligation for payment or otherwise to Spillman with respect to such Software, training, implementation, and other services, and that Spillman shall have no further obligation to City with respect to such Software, training, implementation or other services.

- 4. Terms of Amendment—Cessation of Further Work.** The parties agree that Spillman shall no longer provide any of the hardware, software, licensing, training or other services set forth in Attachment 3 to this Amendment, attached hereto and made a part hereof, and that City shall have no further obligation for payment or otherwise to Spillman regarding such hardware, software, licensing, training, implementation, or other services.
- 5. Termination of Agreement.** In addition to their obligations set forth above, the parties agree to comply with their respective termination obligations as set forth in Section 21.3 of the Agreement, except to the extent otherwise provided in this Amendment. Upon City's return or destruction of all Software and Spillman's payment to City of the amounts set forth in Section 3 above, the Agreement will automatically terminate, subject to the terms of Section 24.16 of the Agreement with respect to survival of terms. Notwithstanding the foregoing, City and Spillman agree that Sections 6 and 7 of the Agreement will not survive such termination.
- 6. Mutual Release.** Subject to the parties' fulfillment of their obligations under this Amendment, each of City and Spillman, for and on behalf of itself and its agents, successors, affiliates, representatives and assigns and for any other persons or entities that could or might legally act on its behalf (the "Releasing Parties"), hereby fully and forever releases, waives, surrenders and discharges the other party and its employees, agents, independent contractors, attorneys, consultants, representatives and insurers (the "Released Parties"), from any and all causes of action, in law or in equity, and any suits, debts, liens, contracts, agreements, promises, liabilities, claims, demands, damages, losses, costs, or expenses, of any nature whatsoever, whether known or unknown, fixed or contingent, which the Releasing Parties have or may have against the Released Parties.
- 7. Consideration.** The parties hereto acknowledge and agree that good and valuable consideration has been given for the covenants and agreements set forth herein and that each party has been fully advised (to the extent that they have deemed necessary) regarding this Agreement and their respective claims by competent legal counsel of their choosing.
- 8. No Admission of Liability.** The parties hereto agree that this Agreement is entered into in settlement of disputed claims, and execution of this Agreement shall not be deemed to be an admission of liability or admission against interest by any party hereto.
- 9. 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.
- 10. 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.

11. 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 Spillman and the City.

12. Further Assurances. If any additional document, action or further assurance is reasonably required to carry out the parties' agreement as set forth in this Agreement, the parties will cooperate with each other in connection therewith.

13. Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, binding agreement between the executing parties, and all of which shall together constitute one and the same instrument. This Amendment shall inure to the benefit of and be binding upon the parties hereto 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

Spillman Technologies, Inc.

By: _____

Brent H. Ives

Title: Mayor

Date: _____

By: _____
[NAME OF SIGNING PARTY]

Title: _____

Date: _____

Attest:

By: _____

Carole Fleischmann

Title: Interim City Clerk

Date: _____

By: _____
[NAME OF SIGNING PARTY]

Title: _____

Date: _____

Approved as to form

By: _____

Daniel G. Sodergren

Title: City Attorney

Date: _____

RESOLUTION _____

AUTHORIZING AMENDMENT NO. 2 TO THE THE PROFESSIONAL SERVICES AND SOFTWARE LICENSE AGREEMENT WITH SPILLMAN TECHNOLOGIES, INC. FOR THE COMPUTER AIDED DISPATCH / RECORDS MANAGEMENT SYSTEM TO DISCONTINUE FURTHER WORK AND OBTAIN A PARTIAL REFUND FOR COMPLETED WORK AND AUTHORIZE THE MAYOR TO EXECUTE THE AMENDMENT

WHEREAS, On March 6, 2012, the City entered into an agreement with Spillman Technologies, Inc. (Spillman) to provide a fully integrated Computer Aided Dispatch / Records Management System for a Public Safety Information System, and

WHEREAS, Since the project went live on January 6, 2014, Spillman has not been able to meet the needs of the Department. Spillman has been attentive to the challenges but due to the multiple interfaces and time needed to support the continued implementation, staff determined another solution may be a better fit and result in cost savings for the City, and

WHEREAS, Spillman has agreed to refund all payments the City has made to it other than payments for hardware that the City will be retaining.

NOW, THEREFORE, BE IT RESOLVED, That City Council authorizes Amendment No. 2 to the Professional Services and Software License Agreement with Spillman Technologies, Inc. to discontinue further work and obtain a partial refund for completed work and authorize the Mayor to execute the Amendment.

* * * * *

The foregoing Resolution _____ was adopted by the Tracy City Council on the 7TH day of October, 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

DISCUSS AND PROVIDE DIRECTION ON A CITY COUNCIL POLICY FOR FILLING CITY COUNCIL VACANCIES AND VACANCIES OCCURRING IN THE OFFICE OF MAYOR

EXECUTIVE SUMMARY

This agenda item is to allow the City Council to discuss and provide direction on a City Council policy for filling City Council vacancies and vacancies occurring in the office of Mayor.

DISCUSSION

On May 6, 2014, the City Council directed staff to provide it with a draft policy for the Council to consider regarding filling City Council vacancies. The Council asked staff to provide for an open application process loosely based on the City of Santa Rosa's policy (Attachment A). A copy of the minutes of the May 6, 2014 meeting, during which this item was discussed, is attached as Attachment B.

I. Background

The process for filling City Council vacancies (other than for an elective Mayor) is set forth in Government Code section 36512(b),¹ which provides that:

If a vacancy occurs in an elective office provided for in this chapter, the council shall, within 60 days from the commencement of the vacancy, either fill the vacancy by appointment or call a special election to fill the vacancy. The special election shall be held on the next regularly established election date not less than 114 days from the call of the special election. A person appointed or elected to fill a vacancy holds office for the unexpired term of the former incumbent.

A similar process is contained in the Government Code for vacancies occurring in the office of Mayor. (§ 34902(a).)

State law does not prescribe any procedure for selection of appointees. Therefore, the City Council may choose any selection method it desires.

II. Policy Options

As mentioned above, on May 6, 2014, the City Council asked staff to draft a policy that provides for an open application process and that is loosely based on the City of Santa

¹ All statutory references are to the Government Code unless otherwise provided.

Rosa's policy for filling Council vacancies. Attached is a draft policy based on Santa Rosa's policy (Attachment C). In addition, below are various options which may be included in the policy related to: applications; interview questions for applicants; City Council interview procedure; and voting procedure. It should be noted that these are only some of the available options. The City Council may want to include other options. Staff is requesting that the City Council provide direction on these options.

A. Applications

The City of Santa Rosa policy requires applicants to file:

- an application stating the applicant's background, qualifications and why he or she wishes to be appointed;
- a nomination form containing valid signatures of at least 20 registered voters of the City; and
- a completed Statement of Economic Interest (Form 700) provided by the Fair Political Practices Commission.

Other options for the application process include:

1. Requiring an essay not to exceed a certain number of words on why the applicant is the best person for the appointment (see application form from the City of West Hollywood attached as Attachment D); and
2. Establishing an application form with standard preliminary questions agreed upon by the City Council (see application forms from the Cities of Dublin (Attachment E) and Fairfield (Attachment F)).

B. Interview Questions for Applicants

The City of Santa Rosa's policy provides in relevant part as follows:

- Questions from the Public. Questions for or concerning applicants may be submitted in writing by the public to the City Clerk. Following the deadline set by the Council for the submittal of questions, all such questions shall be forwarded to Council members, who may use them in the applicant interviews.
- Advance Questions for Applicants. The Council, by motion, may choose to present questions in advance of the interviews to the applicants and may choose to require applicants to either answer all such questions at the interviews or provide written responses to all such questions prior to the interviews. Proposed advance questions may be suggested by individual Council members or may be drafted by an ad hoc committee of the Council appointed by the Mayor for that purpose.

Other options for establishing questions include:

1. Automatically delegating the drafting of questions to an ad hoc committee of the Council (with or without an opportunity for initial public input) with final approval by the City Council as a whole; or

2. Having the Council as a whole draft the questions.

C. City Council Interview Procedure

The City of Santa Rosa's policy provides in relevant part as follows:

- Council Interviews. Applicant interviews shall be conducted in a public meeting, which may be televised and recorded. At the time and date set for applicant interviews, each applicant shall be interviewed separately and shall be given the opportunity to make a brief statement concerning his or her qualifications and to answer any question previously submitted to the applicant by the Council. Thereafter, each Council member may question each applicant on any subject he or she feels is relevant to that applicant's qualifications to sit on the Council. Based on the time available and the number of candidates, the Council, by majority vote, may require a time limit on interviews, limit the number of questions of, and receive answers from each applicant.

Other things to consider in the interviewing process include:

1. Should the order of interviews be based on a random drawing, alphabetical order, or some other method?

2. Should applicants have an opportunity for an opening and/or closing statement and, if so, should there be time limits?

3. Should the Council ask set interview questions and how should such questions be established (e.g., ad hoc Council subcommittee) (see section B, above) (a copy of the Council subcommittee's recommended questions in 2013 is attached as Attachment G) ?

4. Should Council establish an overall time limit for each question or the interview as a whole?

5. Should follow-up questions be allowed and, if so, should there be time limits?

6. Should the Mayor ask all of the questions or should the Council divide the questions among all Council Members?

D. Voting Procedure

The City of Santa Rosa's policy provides that the person to fill the vacancy be selected from all applicants by the following process of elimination:

- Each Council member shall vote for three applicants. In the event there are more than ten applicants, the Council may elect to vote for four applicants in the first round and then proceed as set forth below.
- Those applicants receiving one vote or less shall be eliminated.
- Subsequent votes shall be taken with each Council member voting for one less applicant than voted for in the previous round until each Council member exercises one vote. Only applicants not eliminated may be voted upon.
- The applicant who receives four or more votes in the final round of voting shall be appointed to fill the vacancy.

Another option would be to allow any Council Member to nominate an applicant to fill the position, with a vote taken on each nomination in the order in which the nomination was made, until such time as a nominee receives three or more votes.

STRATEGIC PLAN

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

FISCAL IMPACT

There is no fiscal impact.

RECOMMENDATION

Staff recommends that City Council discuss and provide direction on a City Council policy for filling City Council vacancies and vacancies occurring in the office of Mayor, including direction on the options discussed above.

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

Attachments: A. City of Santa Rosa Policy on Filling City Council Vacancies
B. City Council Minutes – May 6, 2014
C. Draft City Council Policy on Filling City Council Vacancies
D. City of West Hollywood Application Form
E. City of Dublin Application Form
F. City of Fairfield Application Form
G. Council subcommittee's recommended questions (2013)

COUNCIL POLICY			
Subject:	Policy Number	Effective Date	Number of Pages
PROCEDURE FOR FILLING COUNCIL VACANCIES	000-23	1-15-13	Page 1 of 2

BACKGROUND:

Santa Rosa City Charter Section 31 provides that vacancies of the City Council may be filled by appointment but does not provide procedures for making an appointment.

PURPOSE:

To establish a procedure by which the Council may fill Council vacancies by appointment.

POLICY:

The following procedures will be utilized by the Council to fill a Council vacancy by appointment:

- A. **Schedule:** At the earliest possible time after a vacancy occurs, the Council shall adopt a time schedule.
 1. Setting a time and date by which any qualified person interested in being appointed shall submit an application.
 2. Setting a time and date by which questions for the applicants may be submitted by the public.
 3. Setting a date or dates on which applicants will be interviewed by the City Council at a public meeting.

- B. **Applications.** The application of a person interested in being appointed to the Council shall state background, qualifications and why he or she wishes to be appointed. In addition to completing an application any person applying for the vacancy shall be required to file with the City Clerk the following additional documents:
 1. A Nomination Form containing valid signatures of at least 20 registered voters of the City of Santa Rosa. The fact that a voter has signed nomination papers for more than one applicant shall not invalidate the signature
 2. A completed Statement of Economic Interests (Form 700) provided by the Fair Political Practices Commission.

- C. **Disclosure of Applications.** Following the deadline set by the Council for the submittal of applications, copies of all applications and the names of the applicants shall be filed in the City Clerk's office and made public. No information shall be disclosed prior to the close of the application deadline.

- D. **Questions from the Public.** Questions for or concerning applicants may be submitted in writing by the public to the City Clerk. Following the deadline set by the Council for the submittal of questions, all such questions shall be forwarded to Council members, who may use them in the applicant interviews.

- E. **Advance Questions for Applicants.** The Council, by motion, may choose to present questions in advance of the interviews to the applicants and may choose to require applicants to either answer all such questions at the interviews or provide written responses

COUNCIL POLICY

Subject:	Policy Number	Effective Date	Number of Pages
PROCEDURE FOR FILLING COUNCIL VACANCIES	000-23	1-15-13	Page 2 of 2

to all such questions prior to the interviews. Proposed advance questions may be suggested by individual Council members or may be drafted by an ad hoc committee of the Council appointed by the Mayor for that purpose.

- F. Council Interviews. Applicant interviews shall be conducted in a public meeting, which may be televised and recorded. At the time and date set for applicant interviews, each applicant shall be interviewed separately and shall be given the opportunity to make a brief statement concerning his or her qualifications and to answer any question previously submitted to the applicant by the Council. Thereafter, each Council member may question each applicant on any subject he or she feels is relevant to that applicant's qualifications to sit on the Council. Based on the time available and the number of candidates, the Council, by majority vote, may require a time limit on interviews, limit the number of questions of, and receive answers from each applicant.
- G. Voting Procedure.
- a. The person to fill the Council vacancy shall be selected from all applicants by a process of elimination.
 - b. Each Council member shall vote for three applicants. In the event there are more than ten applicants, the Council may elect to vote for four applicants in the first round and then proceed as set forth below.
 - c. Those applicants receiving one vote or less shall be eliminated.
 - d. Subsequent votes shall be taken with each Council member voting for one less applicant than voted for in the previous round until each Council member exercises one vote. Only applicants not eliminated may be voted upon.
 - e. The applicant who receives four or more votes in the final round of voting shall be appointed to fill the vacancy.
- H. Appointment by the Council. Following the close of all interviews the Council may, by resolution, appoint one of the applicants to fill the Council vacancy if an applicant receives a majority vote of the Council. If a majority of the Council cannot agree on the appointment of one of the applicants, the Council may adopt such other procedures to fill the vacancy as it deems appropriate but the process must be completed within the sixty-day time period provided by City Charter Section 31 or the Council shall be required to call a special election for purposes of filling the vacancy as required by the Charter.

Amended by Resolution No. 28224
Amended by Resolution No. 26891
Adopted by Resolution No. 19000

Dated: January 15, 2013
Dated: July 10, 2007
Dated: July 19, 1988

6. DISCUSS AND PROVIDE DIRECTION ON THE PROCEDURES TO FILL CITY COUNCIL VACANCIES AND TO SELECT APPOINTEES – Dan Sodergren, City Attorney, provided the staff report. Mr. Sodergren stated the process for filling City Council vacancies (other than an elective Mayor) is set for in Government Code section 36512(b),¹ which provides that:

If a vacancy occurs in an elective office provided for in this chapter, the council shall, within 60 days from the commencement of the vacancy, either fill the vacancy by appointment or call a special election to fill the vacancy. The special election shall be held on the next regularly established election date not less than 114 days from the call of the special election. A person appointed or elected to fill a vacancy holds office for the unexpired term of the former incumbent.

A similar process is contained in the Government Code for vacancies occurring in the office of Mayor. (§ 34902(a).) The Registrar of Voters for San Joaquin County currently estimates the cost of an election would be as follows: approximately \$117,000 for a special mail ballot election; approximately \$251,000 for a special election with polling locations; and \$25,000 to add an item to a ballot with a consolidated statewide election.

State law also permits cities to adopt a local ordinance that provides alternative methods for filling vacancies on a city council or in the office of an elective mayor. The Government Code provides that a city may enact an ordinance that does any of the following:

1. Requires that a special election be called immediately to fill every City Council vacancy and the office of Mayor, which shall be held on the next regularly established election date not less than 114 days from the call of the special election;
2. Requires that a special election be held to fill a Council vacancy and the office of Mayor when petitions bearing a specified number of verified signatures are filed. Such election shall be held on the next regularly established election date not less than 114 days from the filing of the petition. Under this option, Council has the option of calling for an election without waiting for the filing of a petition.
3. Provides that a person appointed to fill a vacancy on the City Council holds office only until the date of a special election which shall immediately be called to fill the remainder of the term. Such an election may be held on the date of the next regularly established election or regularly scheduled municipal election to be held throughout the City not less than 114 days from the call of the special election. Unlike options 1 and 2, this option applies to the filling of vacancies on the City Council only and not to the office of Mayor.) (§ 36512(c).)

Under option 3, Council has the flexibility of having the remainder of the term filled at an election when Tracy voters vote. In this way, the Council could avoid the increased costs of a special election at which Tracy voters do not already vote.

Finally, the Government Code also provides that, notwithstanding these requirements and options, an appointment may not be made to fill a vacancy on a city council if the appointment would result in a majority of the members serving on the council having been appointed. If this is the case, the vacancy must be filled at the next regularly scheduled election date. (§ 36512(d).)

State law does not prescribe any procedure for selection of appointees. Therefore, the Council may choose any selection method it desires, including the following:

- Independently as a City Council, the Council can discuss and agree on a candidate to appoint and appoint that candidate to fill the unexpired term; and
- The City Council can invite candidates to apply, conduct interviews, and agree to appoint a particular candidate.

The most common method is to have an open application process. The last two City Council vacancies that have occurred in Tracy were in 2006 and in 2012. In 2006, the City Council directed staff to solicit applications from interested candidates. Ten applicants were interviewed. A list of questions and interview process was recommended by staff and agreed upon by the City Council. Attached are copies of the staff report and minutes of the December 5, 2006 and December 19, 2006 City Council meetings at which this item was discussed.

In 2012, the City Council chose to interview only the three candidates who ran for the City Council seat during the November 2012 election. Two candidates chose to be interviewed. Questions were compiled by a City Council Subcommittee. The City Council placed no limit on the amount of time allowed for candidates' answers; the Mayor read all the questions; each candidate was given the opportunity to present a closing statement; the candidate that was not interviewing was placed in a separate room; and, at the end of the interview process, each Council Member was given an opportunity to

comment. Attached are copies of the staff report and minutes of the December 18, 2012, and January 15, 2013, City Council meetings at which this item was discussed.

Some cities have chosen to formalize the process used for selecting appointees by adopting the process by ordinance or resolution. Attached are examples of policies adopted by the cities of Santa Rosa and East Palo Alto. Some cities have established standard application forms. Attached are examples of application forms from the cities of Dublin, Fairfield, Fremont, and West Hollywood. Other cities determine the process on a case-by-case basis.

If Council chooses to formalize the procedure to be used for selecting appointees to the City Council, it is recommended that it be done by adopting a City Council policy by resolution. The City Council could direct staff to draft such a policy for City Council consideration, or the City Council could form a subcommittee of the City Council to do so.

Staff recommended that City Council discuss and provide direction on:

1. The procedures to fill City Council vacancies; and
2. The procedures for selecting appointees.

Mayor Ives invited members of the public to address Council on the item.

Robert Tanner asked if there could be an appointment without an election. Mayor Ives stated the appointment process does not require an election.

Robert Tanner asked if an eligibility list could be established. Mayor Ives stated that process is similar to what the Council did last time.

Mayor Pro Tem Maciel stated it was very costly to hold a special election, adding that the Council has authority to appoint an individual. Mayor Pro Tem Maciel stated the best option was to allow anyone to apply. Mayor Pro Tem added he was not an advocate of appointing the third highest vote getter.

Council Member Rickman stated whatever process Council agrees on, it should be a rigid process understood by everyone. Council Member Rickman asked if Council appoints and interviews applicants, would it be done in open forum. Mr. Sodergren stated it would be conducted in open session.

Council Member Rickman further stated he would like to see detailed procedures regarding how questions are formulated, how many questions are asked, and how follow up questions can be asked.

Council Member Young stated it was great that Council establishes a procedure going forward. Council Member Young stated she disagreed regarding appointing an individual who was the third largest vote getter. Council Member Young stated she believed an appointment should only be made from the individuals who ran for election. Council Member Young suggested establishing a policy that Council only consider appointing an individual who just ran for office in the election and in other circumstances (not immediately following an election) Council invite any individual to apply.

Council Member Manne stated immediately following an election the appointment should be made from the pool of individuals who ran for office; if it's not during an election, the process should include opening it up to the public for an interview process. Council Member Manne further stated he would like for the community to provide input regarding questions that were asked of the applicants.

Mayor Ives stated it was good that Council was discussing the process. Mayor Ives stated he liked the idea of getting public input on the questions and believes the process should be open and not limited. Mayor Ives further stated he liked the City of Santa Rosa's voting procedure, which has been a point of contention for the City of Tracy. Mayor Ives suggested using the procedures from Santa Rosa as a starting point to formulate Tracy's procedure.

Council Member Rickman stated he wanted a process that was unbiased and as objective as possible.

Mayor Pro Tem Maciel agreed public input should be received regarding establishing questions, suggesting it be done through a subcommittee.

Mr. Sodergren stated he heard consensus that Council did not want to adopt any alternative procedures and rely on the general provisions of either calling a special election or appoint.

Mr. Sodergren further stated he heard consensus regarding a formalized appointment process if Council chooses to go that route. Mr. Sodergren asked for clarification regarding a vacancy during an election or whether the vacancy was due to other reasons.

Mayor Pro Tem Maciel stated the process should be open. Council Member Manne stated there was no harm keeping the process open. Council Member Young stated if the process was open it leaves room for corruption. Council Member Rickman stated he agreed with Council Member Young, adding if the process was open, he did not believe it should be bifurcated.

Mayor Ives stated he believed the process should be open and those candidates who ran for office would do better. Mayor Ives further stated it was the delegated authority of the Council to do so.

Mr. Sodergren stated he would take the Santa Rosa policy and make it into a policy for the City of Tracy and bring back options for Council to consider. Council Member Rickman asked if information regarding follow up questions could be included.

Council directed staff to return with an agenda item with options regarding an appointment process. Options to include a procedure for filling Council vacancies similar to the City of Santa Rosa, an open application process, input from community on questions for applicants, and procedures regarding follow up questions for applicants.

7. ITEMS FROM THE AUDIENCE – None.
8. STAFF ITEMS – None.

DRAFT**CITY COUNCIL POLICY ON
FILLING CITY COUNCIL VACANCIES AND
VACANCIES OCCURRING IN THE OFFICE OF MAYOR****I BACKGROUND**

The process for filling City Council vacancies (other than for an elective Mayor) is set forth in Government Code section 36512(b), which provides that:

If a vacancy occurs in an elective office provided for in this chapter, the City Council shall, within 60 days from the commencement of the vacancy, either fill the vacancy by appointment or call a special election to fill the vacancy. The special election shall be held on the next regularly established election date not less than 114 days from the call of the special election. A person appointed or elected to fill a vacancy holds office for the unexpired term of the former incumbent.

A similar process is contained in the Government Code for vacancies occurring in the office of Mayor. (§ 34902(a).)

State law does not prescribe any procedure for selection of appointees. Therefore, the City Council may choose any selection method it desires.

II. POLICY

The following procedures will be utilized by the City Council to fill a City Council vacancy or a vacancy occurring in the office of Mayor, if the City Council chooses to fill such a vacancy by appointment rather than by special election:

A. Schedule

At the earliest possible time after a vacancy occurs, the City Council shall adopt a time schedule:

1. Setting a time and date by which any qualified person interested in being appointed shall submit an application;
2. Setting a time and date by which questions for the applicants may be submitted by the public; and
3. Setting a date or dates on which applicants will be interviewed by the City Council at a public meeting.

B. Applications

The application of a person interested in being appointed to the City Council shall state background, qualifications and why he or she wishes to be appointed. In addition to completing an application any person applying for the vacancy shall be required to file with the City Clerk the following additional documents:

1. A Nomination Form containing valid signatures of at least 20 registered voters of the City of Tracy. The fact that a voter has signed nomination papers for more than one applicant shall not invalidate the signature; and

2. A completed Statement of Economic Interests (Form 700) provided by the Fair Political Practices Commission.

C. Disclosure of Applications

Following the deadline set by the City Council for the submittal of applications, copies of all applications and the names of the applicants shall be filed in the City Clerk's office and made public. No information shall be disclosed prior to the close of the application deadline.

D. Questions from the Public

Questions for or concerning applicants may be submitted in writing by the public to the City Clerk. Following the deadline set by the City Council for the submittal of questions, all such questions shall be forwarded to City Council Members, who may use them in the applicant interviews.

E. Advance Questions for Applicants

The City Council, by motion, may choose to present questions in advance of the interviews to the applicants and may choose to require applicants to either answer all such questions at the interviews or provide written responses to all such questions prior to the interviews. Proposed advance questions may be suggested by individual City Council Members or may be drafted by an ad hoc committee of the City Council appointed by the Mayor for that purpose.

F. City Council Interviews

Applicant interviews shall be conducted in a public meeting, which may be televised and recorded. At the time and date set for applicant interviews, each applicant shall be interviewed separately and shall be given the opportunity to make a brief statement concerning his or her qualifications and to answer any question previously submitted to the applicant by the City Council. Thereafter, each City Council Member may question each applicant on any subject he or she feels is relevant to that applicant's qualifications to sit on the City Council. Based on the time available and the number of candidates, the City Council, by majority vote, may require a time limit on interviews, limit the number of questions of, and receive answers from each applicant.

G. Voting Procedure

The person to fill the City Council vacancy shall be selected from all applicants by the following process of elimination:

1. Each City Council Member shall vote for three applicants. In the event there are more than ten applicants, the City Council may elect to vote for four applicants in the first round and then proceed as set forth below;
2. Those applicants receiving one vote or less shall be eliminated;
3. Subsequent votes shall be taken with each City Council Member voting for one less applicant than voted for in the previous round until each City Council Member exercises one vote. Only applicants not eliminated may be voted upon; and
4. The applicant who receives four or more votes in the final round of voting shall be appointed to fill the vacancy.

H. Appointment by the City Council

Following the close of all interviews the City Council may, by resolution, appoint one of the applicants to fill the City Council vacancy if an applicant receives a majority vote of the City Council. If a majority of the City Council cannot agree on the appointment of one of the applicants, the City Council may adopt such other procedures to fill the vacancy as it deems appropriate but the process must be completed within 60 days from the commencement of the vacancy.



CITY OF WEST HOLLYWOOD CITY COUNCIL APPLICATION

In order to be considered for appointment to City Council to fill the seat made vacant by the passing of Councilmember Sal Guarriello, you must be both a resident of the City of West Hollywood and registered to vote in the City of West Hollywood at the time of the filing of this application.

THE FILING DEADLINE IS FRIDAY, MAY 1, 2009 AT 5:00 P.M.

NAME _____

HOME PHONE _____

HOME ADDRESS _____

E-MAIL ADDRESS _____ FAX _____

OCCUPATION/PROFESSION _____

BUSINESS PHONE _____

NAME OF EMPLOYER _____

ADDRESS OF EMPLOYER _____

INVOLVEMENT

COMMUNITY PARTICIPATION & SERVICE _____

PRESENT CIVIL, FRATERNAL OR PROFESSIONAL MEMBERSHIPS AND OBLIGATIONS

DO YOU HAVE ANY CURRENT OBLIGATIONS AND RESPONSIBILITIES THAT COULD BE CONSTRUED AS A CONFLICT OF INTEREST? IF SO, WHAT ARE THEY?

HOW LONG HAVE YOU LIVED IN WEST HOLLYWOOD? _____

CONTINUED →

EDUCATION

SCHOOLS/COLLEGE(S) _____

DEGREES/TITLES _____

REFERENCES

LOCAL (Optional) _____

PROFESSIONAL _____

OTHER _____

PLEASE ATTACH AN ESSAY OF NO MORE THAN 400 WORDS STATING WHY YOU ARE THE BEST PERSON TO APPOINT TO THE WEST HOLLYWOOD CITY COUNCIL. AS A GUIDELINE FOR PREPARING YOUR STATEMENT, YOU MAY REFER TO THE ATTACHED LIST OF DESIRABLE TRAITS FOR A NEW COUNCILMEMBER, WEST HOLLYWOOD PRIMARY STRATEGIC GOALS 2020 AND WEST HOLLYWOOD CORE VALUES.

DECLARATION

I declare under penalty of perjury under the laws of the State of California that all information stated in this application and all attached pages are true, correct and complete. I further declare that I am a resident of the City of West Hollywood and am registered to vote in the City of West Hollywood

SIGNATURE _____ DATE: _____

PLEASE NOTE: INFORMATION PROVIDED BY APPLICANT IS PUBLIC RECORD.

**RETURN COMPLETED FORM TO:
OFFICE OF THE CITY CLERK
8300 SANTA MONICA BOULEVARD
WEST HOLLYWOOD, CA 90069-4314**

Applications may be submitted electronically to: twest@weho.org



CITY COUNCIL APPLICATION – STATEMENT GUIDELINES

Desirable Traits for a New Councilmember

1. Understanding and Sharing the City's Core Values
2. Intelligence
3. Good Judgment/Common Sense
4. History of Service to the Community
5. Ability to Communicate Effectively
6. Discretion/Maintenance of Confidential Information
7. Ability to Work with a Diverse Group of Individuals
8. Respectful to Employees, Residents and Businesspeople
9. Ability to Listen and Filter Information
10. Backbone—Willingness to do What They Believe is Right in the Face of Pressure
11. Emotional Stability
12. Understands the Issues of our Diverse Constituencies
13. Understands the Importance of our Business Community
14. Knowledge of City Issues
15. Acceptable to All of the Members of the City Council

West Hollywood Primary Strategic Goals 2020

Maintain the City's Unique Urban Balance with Emphasis on Residential Neighborhood Livability

Affordable Housing

Fiscal Sustainability

Develop Parking Opportunities

Move forward on City Parks and Library and Expand and Enhance the City's Green and Public Spaces

West Hollywood Core Values

Respect and Support for People

Responsiveness to the Public

Idealism, Creativity and Innovation

Quality of Residential Life

Economic Development

Public Safety

Responsibility for the Environment



**APPLICATION TO SERVE ON DUBLIN CITY COUNCIL
FOR THE UNEXPIRED TERM ENDING DECEMBER 2014**

Return **original application** to:
City Clerk, City of Dublin, 100 Civic Plaza, 2nd Floor, Dublin, CA 94568

APPLICANTS MUST BE REGISTERED VOTERS IN THE CITY OF DUBLIN

Name: _____ Date: _____

Address: _____
Street City, State, Zip

Home Phone: _____ Work Phone: _____ Cell Phone: _____

Email: _____

Employer: _____

Occupation: _____

Background, Education,
Experience:

Why do you want to be
on the City Council?:

Prior Public Service or
Civic Activity:

Please return **original, completed and signed application** to:

Caroline Soto, City Clerk
City of Dublin
100 Civic Plaza
Dublin, CA 94568

no later than 3:00 PM, Wednesday, February 13, 2013.

Postmarks will **NOT** be accepted.

What do you believe are the top three policy issues facing the City and how do you believe you can contribute to solving them?

Being an effective member of the City Council requires a good deal of pre-meeting preparation including the willingness to read up to several hundred pages of staff reports before each meeting. How will you handle this responsibility?

In your view, what do you believe your relationship as a City Councilmember should be with the public, other City Councilmembers, the City Manager, and City Employees?

What is your view of providing services to the community and the financing of those services? What additional services, if any, do you believe should be provided to the Community?

Please return **original, completed and signed application** to:

Caroline Soto, City Clerk
City of Dublin
100 Civic Plaza
Dublin, CA 94568

no later than 3:00 PM, Wednesday, February 13, 2013.

Postmarks will **NOT** be accepted.

What do you feel is the most important contribution you can make as a member of the City Council?

Other information and/or comments:

NOTES

- * Interviews will take place at the City Council meeting on Tuesday, February 19, 2013, at 5:30 PM in the City Council Chambers and should be prepared to begin serving that evening.
- * Applicants should be available, if necessary, for a Special Meeting of the City Council on Tuesday, February 26, 2013 at 7:00 PM In the City Council Chambers.
- * The successful applicant should be available to attend two City Council Special Meetings on Saturday, March 2, 2013 and Saturday, March 23, 2013, regarding the City's Strategic Plan.

Signature

Date

Print Form

Please return *original, completed and signed application* to:

Caroline Soto, City Clerk
City of Dublin
100 Civic Plaza
Dublin, CA 94568

no later than 3:00 PM, Wednesday, February 13, 2013.
Postmarks will **NOT** be accepted.

APPLICATION FOR CITY COUNCIL

FILING
DEADLINE: _____

City of Fairfield
1000 Webster Street - Fairfield, CA 94533
(428-7400)

Submittal Requirements (Completed applications must contain the following items)

- Completed, signed Application
- Completed, signed Supplemental Application
- Resume

Information Sheet (Please Print)

NAME: _____
(Last) (First) (Middle)

ARE YOU A RESIDENT OF THE CITY OF FAIRFIELD? YES _____ NO _____
(If you have questions about your residency, please consult the City Attorney, Greg Stepanicich, at 428-7419.)

ARE YOU A REGISTERED VOTER WITHIN THE CITY OF FAIRFIELD? YES _____ NO _____
(If you have questions about your registration status, please contact the Solano County Registrar of Voters, 784-6675.)

ADDRESS: _____

BUSINESS PHONE: _____ HOME PHONE: _____

OCCUPATION: _____

PLACE OF EMPLOYMENT: _____

EDUCATION: _____

FIELD OF SPECIALTY: _____

AREAS OF SPECIAL INTEREST: _____

ORGANIZATIONS: _____

ELECTED OFFICES HELD: _____

COMMUNITY WORK: _____
(i.e. Girl Scouts,
Heart Fund)

I, the undersigned, am sincerely interested in serving in this position for the City of Fairfield, and, if appointed, will be available for evening meetings as may be required.

(Signed)

(Date)

RETURN TO: CITY MANAGER'S OFFICE, 1000 Webster Street, Fairfield, CA 94533 (Fourth Floor of City Hall)

----- *For Office Use Only* -----

Date In: _____

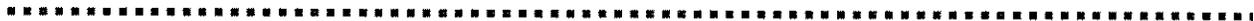
By: _____

CITY OF FAIRFIELD
CITY COUNCIL
SUPPLEMENTAL APPLICATION QUESTIONNAIRE

This questionnaire will assist the City Council in assessing your qualifications and experience for the City Council vacancy.

Please print the answers to these questions on plain paper and return with your application to:

City of Fairfield
City Manager's Office
1000 Webster Street
Fairfield, CA 94533



1. Please explain your two most important reasons for wanting to serve on the City Council.

2. In your opinion, what is the most important asset/perspective you would bring to the City Council?

3. What role do you feel the City Council plays in making Fairfield a desirable community in which to live and/or work?

4. What are the five most critical issues facing the City during the next five years?

Signature: _____ Date: _____

Council Subcommittee
Recommended Questions for Candidate Interviews
January 15, 2013

QUESTIONS:

1. What prompts you to want to be a Council Member?

2. Do you have any specific area or areas of interest that prompt you to apply for consideration?
 - a. What distinguishes you from other applicants?
 - b. What has been your level of community involvement and how does that relate to council service?

3. What do you consider to be the four (4) most significant issues currently facing the Council and the City?

4. What is your understanding of the role of a Council Member in a Council-Manager form of government?
 - a. What is a council member's role regarding operational issues?
 - b. What is a council member's role regarding personnel issues?
 - c. If a council member receives a request or complaint from a citizen regarding city services, how should the council member deal with the matter?

5. What is your opinion regarding the city's economic development practices?
 - a. Do you agree with the practice of creating incentives to encourage some businesses to come to Tracy?
 - b. Would you want to change the practice and if so, how?
 - c. How should the city fund such incentives?
 - d. What else should the city be doing to promote economic development?

6. What position, if any, should the City take in regard to downtown development?

7. Could you give us your awareness and understanding of the City's General Plan?
 - a. Are you familiar with the growth management ordinance (GMO)?
 - b. What are your feelings regarding development agreements?
 - c. What changes, if any, would you like to see regarding how Tracy deals with growth?

8. What is your opinion regarding public safety in Tracy?
 - a. How should public safety staffing levels be determined?
 - b. Are you familiar with the police department's strategy to combat gang activity in Tracy and what, if any, changes would you like to see made to that strategy?
 - c. If fiscal restrictions forced a reduction to public safety budgets, what should be the council's role in resolving the problem?

9. What is your opinion regarding how the city manages its budget?
 - a. Have you reviewed the city budget?
 - b. What do you feel is an appropriate level of fiscal reserves?
 - c. If the city sees a budget surplus over the next few years as a result of Measure E, what should be done with the funds?
 - d. When Measure E expires what should be done if annual expenses continue to exceed revenues?

10. What is your opinion regarding how the city handles capital improvement projects (CIP)?
 - a. How do you feel CIP priorities should be determined?
 - b. Do you feel there is adequate public input in establishing CIP priorities?
 - c. Should the process be changed and if so, how?
 - d. What are your thoughts regarding CIP funding?

AGENDA ITEM 6

REQUEST

CONSIDER COUNCIL GENERAL FUND RESERVE POLICY

EXECUTIVE SUMMARY

As part of the FY 2014/15 City budget workshop discussion, Council directed staff to explore alternative General Fund Reserve policy approaches, including new reserve designations. On August 19, 2014, staff discussed several General Fund Reserve policy options that would support the City's long-term fiscal sustainability efforts. The recommended new reserve structure included the establishment of three General Fund Reserve designations: a General Fund Contingency Reserve, General Fund Economic/Budget Stability Reserve, and General Fund "Measure E" Mitigation Reserve. Council directed staff to return with a General Fund Reserve policy reflecting the new structure for consideration.

DISCUSSION

The Government Finance Officers' Association (GFOA) recommends that governments establish a formal policy on the level of unrestricted fund balance (City reserves) that should be maintained in the General Fund. The purpose of a reserve is to mitigate the effect of unanticipated situations including natural disasters and severe unforeseen events. Reserves also provide the City with stability when the economy fluctuates, providing time to develop a transition plan and make organizational and service changes in response to the City's financial situation.

The City of Tracy has a General Fund Reserve policy that requires a reserve level of 20% of General Fund expenditures, including recurring transfers out. The City has only one designated reserve - the Reserve for Economic Uncertainty. This reserve was established to bridge budget shortfalls due to changes in the economy. The City's policy also automatically allocates year-end excess revenue to the Reserve for Economic Uncertainty.

As of June 30, 2013, the City's total General Fund balance is \$28.9 million; of that amount, approximately \$27.5 million is unassigned, and includes the City's Reserve for Economic Uncertainty (\$9.9 million). The unassigned fund balance of \$27.5 million represents 55% of total General Fund expenditures for FY 2013/14. The projected FY 2014/15 General Fund unassigned fund balance is estimated to be \$33.6 million. This amount does not include anticipated year-end excess revenue and any authorized use of fund balance in the current year.

For purposes of long-range fiscal planning and continued fiscal health, it is recommended that the Council consider modifying its current reserve policy by establishing three new General Fund reserves designations that would replace the City's existing reserve structure. The following section discusses the proposed reserves.

PROPOSED GENERAL FUND RESERVE DESIGNATIONS

The GFOA recommends that governments adopt a formal policy on the level of unrestricted fund balance (City reserves) that should be maintained in the General Fund. The GFOA also recommends the establishment of specific reserve designations to support a City's long-term fiscal sustainability efforts. As a result, the City has identified three new designations to ensure that resources are available to address future financial needs, including unforeseen events and/or disasters, fluctuations in economic cycles, and revenue loss due to the sunset of Measure E. The designations are discussed in further detail below and reflected in the attached General Fund Reserve policy (Exhibit A of Attachment 1).

General Fund Contingency Reserve

The Contingency Reserve funds help mitigate the effects of unanticipated situations such as natural disasters and severe, unforeseen events. The Contingency Reserve is to be established with a targeted goal of 20% of the General Fund's adopted annual budget for expenditures, including recurring transfers out.

As part of the budget adoption process, the City Manager would evaluate the City's financial condition and make a recommendation as to whether a contribution should be made to the Contingency Reserve, or if reserve funds should be used to address a particular need. Use of the Contingency Reserve must be approved by the City Council and repaid over a period to be determined by the City Council at the time of usage approval, with a target repayment period of no more than three years.

General Fund Economic/Budget Stability Reserve

The Economic/Budget Stability Reserve is intended to offset revenue/expenditure uncertainty while stabilizing service levels through economic cycles. The long-term use of this reserve is determined by estimating the level of financial risk associated with the following three areas of uncertainty:

1. **Revenue risks.** Economically sensitive revenues that fall short of budget projections could cause deficits. Transitional funding may be necessary to bridge the impact of reductions in major revenues due to local, regional, state, and/or national economic changes.
2. **State budget risks.** In the recent past, the State has implemented budget solutions that legislatively reallocated intergovernmental revenues from local jurisdictions to the State (in the absence of guarantees or constitutional protection of these revenues). These reallocations have included property taxes, sales taxes, gas taxes, grants, and reimbursements.
3. **Uncontrollable costs.** The City budget includes several ongoing, uncontrollable costs, including employer pension contributions, healthcare premiums, and fuel/utility expenses that are beyond the City's control. Further changes in PERS rates due to investment performance and

actuarial assumptions, and/or healthcare may result in the need for supplemental funding.

The Economic/Budget Stability Reserve is to be established with a targeted goal of 10% of the General Fund's adopted annual budget for expenditures and recurring transfers out. The City Manager will assess the City's financial condition and recommend whether a contribution should be made to the Economic/Budget Stability Reserve, or if reserve funds should be used to stabilize the budget. As stated earlier, this action is done as part of the annual budget adoption; however, these actions can be completed at any time the City Manager deems necessary.

Use of the Economic/Budget Stability Reserve must be approved by the City Council and repaid over a period to be determined by the City Council at the time of usage approval, with a target repayment period of no more than three years.

General Fund "Measure E" Mitigation Reserve

The "Measure E" Mitigation Reserve is to be used as bridge funding upon the sunset of the Measure E sales tax in FY 2016/17. This temporary reserve would be used over a multi-year period to mitigate the loss of revenue from the half cent sales tax and allow the City time to transition to the reduced revenue level.

The "Measure E" Mitigation Reserve is to be established with a targeted goal of \$7 million as this is estimated to be the peak revenue prior to the measure's expiration in March 2016. As part of the annual budget adoption process, the City Manager would recommend whether a contribution should be made to the "Measure E" Mitigation Reserve, or if reserve funds should be used to supplant the budget.

All uses of the "Measure E" Mitigation Reserve must be approved by the City Council. The "Measure E" Mitigation Reserve is a one-time reserve; if the reserve will no longer be used for the purposes stated above, the unused funds should be returned to the General Fund and reserve closed.

USE AND REPLENISHMENT OF RESERVES

As previously discussed in this report, use of any reserve must be approved by the City Council. Use of any reserve will require repayment to be determined by the City Council at the time of usage approval, with a recommended target repayment period of no more than three years. The City's current General Fund Reserve policy does not have a replenishment requirement.

YEAR-END EXCESS REVENUE

Under the City's current policy, reported year-end excess revenue which results in General Fund reserves exceeding the required minimum threshold level (20%) is automatically allocated to the Reserve for Economic Uncertainty. Year-end excess revenue under the proposed reserves structure would remain in the City's fund balance. As part of the annual budget adoption process, the City Manager would recommend

whether the excess funds could be allocated to other reserves, or used as one-time funding with consideration given to economic development and/or capital projects.

NEW GENERAL FUND RESERVE STRUCTURE

The chart below reflects the City’s current and proposed reserve structure based on projected FY 2014/15 reserve levels, excluding estimated year-end excess revenue:

Current Reserve Structure	Amount	Target % of GF Expenditures	Proposed Reserve Structure	Amount	Target % of GF Expenditures
Ending Fund Balance	\$19M	N/A	Ending Fund Balance	\$9.2M	N/A
Reserve for Economic Uncertainty (EU)	\$14.6M	No Target Percentage Required	Contingency Reserve	\$11.6M	20%
			Economic/Budget Stability Reserve	\$5.8M	10%
			“Measure E” Mitigation Reserve	\$7M	No Percentage Target Required; Temporary Reserve
Total Fund Balance	\$33.6M	20% Overall	Total Fund Balance	\$33.6M	

STRATEGIC PLAN

This agenda item addresses Goal 1 of the Governance Strategy to ensure fiscal sustainability through financial budgetary stewardship and meets Objective 1, which is to update the General Fund Reserve Policy.

FISCAL IMPACT

There is no fiscal impact associated with adopting a General Fund Reserve Policy.

RECOMMENDATION

It is recommended that Council adopt the attached resolution approving a General Fund Reserve policy (Attachment 1).

Prepared by: Jenny Haruyama, Administrative Services Director
 Reviewed by: Maria A. Hurtado, Assistant City Manager
 Approved by: Troy Brown, City Manager

ATTACHMENTS

Attachment 1: Resolution Adopting a Council General Fund Reserve Policy
 Exhibit A of Attachment 1: General Fund Reserve Policy (Unassigned Fund Balance)

RESOLUTION _____

APPROVAL OF A GENERAL FUND RESERVE POLICY

WHEREAS, The Government Finance Officers' Association (GFOA) recommends that governments establish a formal policy on the level of unrestricted fund balance (City reserves) that should be maintained in the General Fund, and

WHEREAS, The purpose of a reserve is to mitigate the effect of unanticipated situations including natural disasters and severe unforeseen events, and

WHEREAS, Reserves also provide the City with stability when the economy fluctuates, providing time to develop a transition plan and make organizational and service changes in response to the City's financial situation, and

WHEREAS, The adoption a General Fund Reserve policy is not subject to the California Environmental Quality Act because it is not a project that has the potential for causing a significant effect on the environment (CEQA Guidelines, 14 California Code of Regulations, §15061(b)(3));

NOW, THEREFORE, BE IT RESOLVED, The Tracy City Council hereby resolves, declares, determines, and orders as follows:

1. The Council General Fund Reserve Policy, attached to this Resolution as Exhibit A, is approved.
2. This resolution takes effect October 7, 2014.

* * * * *

The foregoing Resolution _____ was adopted by the Tracy City Council on the 7th day of October, 2014 by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

MAYOR

ATTEST:

CITY CLERK

Attachment: Exhibit A, Council General Fund Reserve Policy

CITY OF TRACY
COUNCIL POLICY AND PROCEDURES

SUBJECT: Council General Fund Reserve (Unassigned Fund Balance) Policy

DATE ISSUED October 7, 2014

SECTION: A5

SECTION 1: PURPOSE

The purpose of this policy is for the City of Tracy to formally establish Reserves. The purpose of Reserves is to mitigate the effect of unanticipated situations such as natural disasters and severe unforeseen events. Reserves also provide the City with stability in times of economic fluctuations and Reserves help provide for a smooth transition to changes in service levels caused by changes in the City's financial situation

SECTION 2: POLICY

The City of Tracy is establishing reserves with the following designations:

GENERAL FUND CONTINGENCY RESERVE:

The Contingency Reserve funds help mitigate the effects of unanticipated situations such as natural disasters and severe, unforeseen events. The Contingency Reserve also serves as back-up liquidity to self-insured losses if this need were to arise.

The Contingency Reserve is to be established with a target goal of 20% of the General Fund's adopted annual budget for expenditures and recurring transfers out.

The City Manager will first evaluate the City's financial condition and make a recommendation to City Council as to the need to make contributions to the Contingency Reserve or the possible need to access funds from the Contingency Reserve. This action is done as part of the annual budget adoption; however these actions can be completed at any time the City Manager deems necessary.

GENERAL FUND ECONOMIC/BUDGET STABILITY RESERVE

The Economic/Budget Stability Reserve is intended to offset quantifiable revenue/expenditure uncertainty in the multi-year forecast thereby helping to stabilize service levels through economic cycles. The long-term use of this reserve is determined by estimating the level of financial risk associated with the following three areas of uncertainty:

1. Revenue risks: Revenues falling short of budget projections may cause deficits. Transitional funding may be necessary to respond to reductions in major revenues due to local, regional, and national economic downturns.

CITY OF TRACY
COUNCIL POLICY AND PROCEDURES

2. State budget risks: There is a possibility that the State may implement budget solutions that legislatively reallocate intergovernmental revenues from local jurisdictions to the State (in the absence of guarantees or constitutional protection of these revenues). These include property taxes, sales taxes, gas taxes, grants, and reimbursements.

3. Uncontrollable costs: The City may require a source of supplemental funding for uncontrollable costs. Examples include, but are not limited to: unanticipated increases in CalPERS retirement rates resulting from CalPERS investment performance, or changes in actuarial assumptions CalPERS might impose. In addition, there may be other cost increases that are beyond the City's control (e.g., various fuel and utility charges).

The Economic/Budget Stability Reserve is to be established with a target goal of 10% of the General Fund's adopted annual budget for expenditures and recurring transfers out.

The City Manager will first evaluate the City's financial condition and make a recommendation to City Council as to the need to make contributions to the Economic/Budget Stability Reserve or the possible need to access funds from the Economic/Budget Stability Reserve. This action is done as part of the annual budget adoption; however these actions can be completed at any time the City Manager deems necessary.

GENERAL FUND "MEASURE E" MITIGATION RESERVE

The "Measure E" Mitigation Reserve provides for the specific transition when the Measure E sales tax sunsets in FY 16/17. This one time reserve would be used over a multi-year period to mitigate the loss of revenue from the half cent sales tax and allow the City time to transition to the reduced revenue levels.

The "Measure E" Mitigation Reserve is to be established with a target goal of \$7,000,000.

The City Manager will first evaluate the City's financial condition and make a recommendation to City Council as to the need to make contributions to the Measure E" Mitigation Reserve or the possible need to access funds from the Measure E" Mitigation Reserve. This action is done as part of the annual budget adoption; however these actions can be completed at any time the City Manager deems necessary.

USE AND REPLENISHMENT OF RESERVES

All uses of the Contingency Reserve and Economic/Budget Stability Reserve must be approved by the City Council. Any such uses are to be repaid to the respective reserves over a period to be determined by the City Council at the time of usage approval, with a target repayment period of no more than three years.

CITY OF TRACY
COUNCIL POLICY AND PROCEDURES

Like the Contingency and Economic/Budget Stability Reserves, the “Measure E” Mitigation Reserve must be approved by the City Council. The “Measure E” Mitigation Reserve is a one-time reserve, if there are funds unused, they should be returned to the General Fund and the General Fund “Measure E” Mitigation Reserve be closed.

YEAR-END EXCESS REVENUE

Year-end excess and/or one-time revenue under the proposed reserves structure would remain in the City’s fund balance. As part of the annual budget adoption process, the City Manager would recommend whether the excess funds could be allocated to other reserves, or used as one-time funding with consideration given to economic development and/or capital projects.

Approved as to form:

Policy/Procedure approved by:

Dan Sodergren, City Attorney

Troy Brown, City Manager