



Think Inside the Triangle™

NOTICE OF SPECIAL MEETING

Pursuant to Section 54956 of the Government Code of the State of California, a Special meeting of the **Tracy City Council** is hereby called for:

Date/Time: **Tuesday, August 26, 2025, 6:00 p.m.**
(or as soon thereafter as possible)

Location: **Tracy City Hall, Council Chambers**
333 Civic Center Plaza, Tracy, CA 95376

Government Code Section 54954.3 states that every public meeting shall provide an opportunity for the public to address the Tracy City Council on any item, before or during consideration of the item, however no action shall be taken on any item not on the agenda.

This meeting will be open to the public for in-person and remote participation pursuant to Government Code Section 54953(e)

For Remote Public Comment:

During the Items from the Audience, public comment will be accepted via the options listed below. If you would like to comment remotely, please follow the protocols below:

- **Comments via:**
 - **Online by visiting <https://cityoftracyevents.webex.com>** and using the following Event Number: **2553 827 4345** and Event Password: **TracyCC**
 - **If you would like to participate in the public comment anonymously**, you may submit your comment via phone or in WebEx by typing "Anonymous" when prompted to provide a First and Last Name and inserting **Anonymous@example.com** when prompted to provide an email address.
 - Join by phone by dialing **+1-408-418-9388**, enter **25538274345#8722922#** Press *3 to raise the Hand icon to speak on an item.
- **Protocols for commenting via WebEx:**
 - **If you wish to comment under "Items from the Audience/Public Comment" portion of the agenda:**
 - *Listen for the Mayor to open "Items from the Audience/Public Comment," then raise your hand to speak by clicking on the Hand icon on the Participants panel to the right of your screen.*
 - *If you no longer wish to comment, you may lower your hand by clicking on the Hand icon again.*
 - **Comments for the "Items from the Audience/Public Comment" will be accepted until the public comment period is closed.**

1. Call to Order
2. Actions, by Motion, of City Council Pursuant to AB 2449, If Any
3. Roll Call and Declaration of Conflicts
4. Items from the Audience - *In accordance with Council Meeting Protocols and Rules of Procedure*, adopted by Resolution No. 2019-240, and last amended by Resolution No. 2021-049, a five-minute maximum time limit per speaker will apply to all individuals speaking during “Items from the Audience/Public Comment.” For non-agendized items, Council Members may briefly respond to statements made or questions posed by individuals during public comment; ask questions for clarification; direct the individual to the appropriate staff member; or request that the matter be placed on a future agenda or that staff provide additional information to Council.
5. City Council Discuss and Consider Transition from At-Large Election of the City Council to District-Based Elections and Consider Adopting a Resolution Declaring Its Intention To Transition to District Elections Beginning with the November 2026 General Election.
[5 - Staff Report - District Election.pdf](#)
[5 - Resolution - District Election.pdf](#)
[5 - Presentation - Tracy Potential Districting Presentation.pdf](#)
6. City Council discuss and provide direction to staff regarding the potential drafting of a Project Labor Agreement (“PLA”) to be applied to select City-funded construction projects or consider analogous alternatives such as an update to the procurement policy and municipal code to reward bidders who guarantee a certain percentage of local workers and a community workforce apprenticeship program.
[6 - Staff Report - Project Labor Agreement.pdf](#)
[6 - Presentation - Project Labor Agreement.pdf](#)
7. Discuss whether the City Council would like to form an Ad-Hoc Sustainability Committee.
[7 - Staff Report - Ad Hoc Committee Discussion.pdf](#)
8. Council Items and Comments
9. Adjournment

Posting Date: August 25, 2025

The City of Tracy is in compliance with the Americans with Disabilities Act and will make all reasonable accommodations for the disabled to participate in employment, programs, and facilities. Persons requiring assistance or auxiliary aids in order to participate, should contact the City Manager's Office at (209) 831-6000 at least 24 hours prior to the meeting.

August 26, 2025

Agenda Item 5

RECOMMENDATION

City Council Discuss and Consider Transition from At-Large Election of the City Council to District-Based Elections and Consider Adopting a Resolution Declaring Its Intention To Transition to District Elections Beginning with the November 2026 General Election.

EXECUTIVE SUMMARY

The City of Tracy currently has an at-large election system for the City Council, which means that the electors from the entire City choose the Mayor and four (4) Councilmembers. A district-based election system is one in which the city is geographically divided into four separate districts, each with one Councilmember who resides in the district and is chosen by the electors residing in that particular district. The Mayor remains elected by all of the City's voters.

BACKGROUND AND LEGISLATIVE HISTORY

A. The California Voting Rights Act

The California Voting Right Act (“CVRA”), enacted in 2002, prohibits an at-large method of election that impairs the ability of a protected class to elect candidates of its choice or its ability to influence the outcome of an election. The law’s purpose is to expand protections against vote dilution over those provided by the Federal Voting Rights Act of 1965 (FVRA). The law was also motivated, in part, by the lack of success by plaintiffs in California in lawsuits challenging at-large electoral systems brought under the FVRA. The passage of the CVRA made it much easier for plaintiffs to prevail in lawsuits against public entities that elected their members to its governing body through “at-large” elections. A plaintiff need only prove the existence of “racially polarized voting” and vote dilution to establish liability under the CVRA. A plaintiff need not prove any discriminatory intent by the voters or elected officials, nor must a plaintiff establish that the protected class can comprise a majority-minority district; it is sufficient for a plaintiff to simply show that under a different electoral system, the protected class would have greater electoral influence. As a result, cities throughout the State have faced legal challenges to their “at-large” systems of electing City council members. Almost all have settled claims out of court by agreeing to transition to district-based elections. To date, no city has successfully defended a CVRA challenge in the courts.

The CVRA grants a prevailing plaintiff the right to recover reasonable attorneys’ fees and expert witness fees. This has resulted in payment of substantial amounts of plaintiff’s attorneys’ fees by cities that have chosen to litigate the CVRA challenge. Awards to plaintiffs’ attorneys and expert witnesses routinely total several millions of dollars. For example, in February 2015, the City of Santa Barbara reportedly paid \$900,000 in attorneys’ fees and expert costs to settle its ongoing CVRA lawsuit. Another example is the City of Palmdale, which was ordered to pay plaintiffs’ attorney’s fees in excess of \$4.6 million after losing a CVRA case at trial.

As long as the City of Tracy retains its at-large election system, it will continue to be a potential target of a CVRA claim. Even if the City defeated a CVRA claim in court (which has never before happened), it could not recover its own attorneys' fees or costs. Also, the City would remain vulnerable to subsequent CVRA litigation brought by different plaintiffs.

B. Elections Code Section 10010 Safe Harbor

In 2016, the Legislature provided local jurisdictions a “safe harbor” from CVRA litigation if they choose to transition to a district election system voluntarily. (The safe harbor is codified in Elections Code Section 10010.) If a city receives a demand letter, the city is protected from litigation for 45 days. If, within the 45 days, a city adopts a resolution declaring the Council’s intent to transition from at-large to district-based elections, outlining specific steps to be undertaken to facilitate the transition, and estimating a time frame for action, then a potential plaintiff is prohibited from filing a CVRA action for an additional 90-day period.

The safe harbor also protects a city that decides to transition to district-based elections voluntarily, prior to receiving a demand letter. By adopting a resolution declaring its intention to transition to district-based elections, a city can protect itself from having to pay any attorney’s fees in the event a plaintiff’s attorney later sends a demand letter.

Elections Code 10010 also outlines a number of steps a city must take when transitioning to a district-based election system, including holding at least four (4) public hearings — two before drawing a draft map of the proposed districts and two after the draft maps have been drawn — to determine district boundaries prior to adopting an ordinance establishing the districts. If a City transitions to district elections under Elections Code Section 10010 after it has received a demand letter, a city’s liability is capped at \$30,000 if it follows this process (as an aside, the \$30,000 cap is subject to an annual Consumer Price Index adjustment and is now over \$30,000).

To date, multiple cities throughout the state have received CVRA demand letters and have adopted Resolutions of Intention to transition to district elections or have completed the transition process. Examples of nearby jurisdictions that have transitioned to district elections include Pleasanton, Manteca, Livermore, Brentwood, Antioch, Lodi, Concord, and Hayward. The City of Tracy is one of the few remaining cities of its size in the region that has not transitioned to district-based elections.

ANALYSIS

Staff recommends that the City Council discuss transitioning from at-large to district-based elections, with the option to complete the transition by the end of 2025. Under the law, if the City Council votes affirmatively to move to district elections, the City must proceed to adopt new districts in a timely manner that ensures those districts will be in place for the City’s next municipal election, to be held on November 3, 2026. During that time, the City must hold two public hearings for input on district composition before maps are drawn over a period of no more than 30 days, release draft maps at least seven (7) days before the next public hearing, hold two (2) more public hearings on the draft maps over a period of no more than 45 days, and then adopt an enacting ordinance.

Staff has prepared a proposed timeline for your consideration, which will have districts in place by the end of 2025, and allow the public to have ample opportunity to participate in the redistricting process.

In addition, potential candidates will have sufficient time to prepare for the 2026 elections. As such, staff recommends the following next steps if the City Council decides to move forward:

- To inform the community of the public hearings and redistricting process, staff proposes to begin public outreach in late August and early September 2025.
- The City will hold two (2) public hearings prior to map-drawing from September to October 2025.
- After draft maps are published, the City will hold two additional public hearings from November to December 2025.

The process will conclude with a public hearing in December at which the City Council will select a final district map and adopt an ordinance establishing district elections in the City.

Staff expects to publish a more detailed calendar in September, but this timeline ensures the City's districts will be in place well in advance of the next municipal election in November 2026, and that the City's residents have ample opportunity to participate in the redistricting process. The districts the Council adopts will be in place until the 2030 census and redistricting cycle.

To ensure those districts best serve Tracy's residents, all interested members of the public must be afforded an opportunity to participate in public hearings regarding district lines. The process of soliciting public input, including receiving testimony regarding communities of interest, hiring a demographer, publishing draft maps, and facilitating productive dialogue on how the districts should be drawn and the sequence of elections in those districts requires organized, deliberate planning and a well-coordinated public communications plan. Staff will perform public outreach, which will consist of press releases, social media outreach, and information on the City's website. In addition, the City will provide outreach specific to underrepresented communities in Tracy to facilitate their participation in the district elections process.

The attached proposed Resolution indicates that the new districts will be in place for the November 3, 2026 election. Two seats will be up for election that year, with the two remaining districts up for election in 2028. By law, no sitting member of the City Council may have their terms cut short through this process.

If the City Council adopts the attached resolution, Staff from the City Manager's Office will work with outside legal counsel, the consultant/demographer, the City Clerk's Office, and the City Attorney's Office in preparation for the public hearings. Staff will begin the process of public outreach and engage stakeholders to ensure a robust public education/information effort.

FISCAL IMPACT

Staff resources will be devoted to carrying out the process described in this report, including public outreach strategies. The City will also incur costs related to the engagement of outside legal counsel (which has already been approved by the City Council), a demographer and other consultants that may be necessary.

STRATEGIC PLAN

This agenda item supports the City's Governance priority, and specifically implements the following goal:

Governance – “...enhance transparency for the betterment of the Tracy community.”

Goal 1: “Model good governance...”

Goal 3: “Enhance community outreach and engagement to all Tracy residents.”

ACTION REQUESTED OF THE CITY COUNCIL

City Council Discuss and Consider Transition from At-Large Election of the City Council to District-Based Elections and Consider Adopting a Resolution Declaring Its Intention To Transition To District Elections Beginning with the November 2026 General Election.

Prepared by: April B. A. Quintanilla, City Clerk
Arturo M. Sanchez, Assistant City Manager
L. David Nefouse, City Attorney

Reviewed by: Sara Castro, Director of Finance

Approved by: Midori Lichtwardt, City Manager

TRACY CITY COUNCIL

RESOLUTION 2025-_____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TRACY
DECLARING ITS INTENT TO TRANSITION FROM AT-LARGE TO
BY-DISTRICT COUNCIL MEMBER ELECTIONS UNDER ELECTIONS
CODE § 10010**

WHEREAS, members of the Tracy City Council, including the Mayor, are currently elected in "at-large" elections, in which each City Councilmember is elected by the registered voters of the entire City; and

WHEREAS, California Government Code Section 34886 in certain circumstances, authorizes the legislative body of a city of any population to adopt an ordinance to change its method of election from an "at-large" system to a "district-based" system in which council members are elected only by the voters in the district in which the candidate resides; and

WHEREAS, other cities have previously received letters from prospective plaintiffs asserting that the city's at-large council member electoral system violated the California Voting Rights Act ("CVRA") and demanding that the city change to a district-based election system for electing council members; and

WHEREAS, under Elections Code Section 14028(a), a CVRA violation is established if it is shown that racially polarized voting and vote dilution occurs in elections. "Racially polarized voting" means voting in which there is a difference in the choice of candidates or other electoral choices that are preferred by voters in a protected class, and in the choice of candidates and electoral choices that are preferred by voters in the rest of the electorate (Elections Code Section 14026(e)); and

WHEREAS, under Government Code Section 34886, a city may retain an at-large election for Mayor and still fully comply with the CVRA; and

WHEREAS, in Elections Code Section 10010, the California Legislature has provided a method whereby a jurisdiction can change to a by-district election system and prevent any challenge under the CVRA; and

WHEREAS, the City Council intends to direct staff to initiate the process to establish by-district elections to ensure robust public participation in the redistricting process and avoid any costs that would be associated with responding to a CVRA demand letter or defending against a CVRA claim; and

WHEREAS, pursuant to Elections Code Section 10010(e), a prospective plaintiff may not commence an action under the CVRA against the City within ninety days of the City's

passage of a resolution outlining its intention to transition from at-large to district-based elections, specific steps it will undertake to facilitate this transition, and an estimated timeframe for doing so;

WHEREAS, the City denies that its at-large council member electoral system violates the CVRA or any other provision of law; and

WHEREAS, despite the foregoing, the City Council has determined that the public interest would be served by transitioning to a district-based electoral system voluntarily because doing so will protect the City from either having to pay mandatory attorneys' fees to a CVRA plaintiffs' lawyer following receipt of a CVRA demand letter, if it converts following receipt of such letter, or the extraordinary costs to defend against a CVRA lawsuit; and

WHEREAS, California Elections Code Sections 10010 and 21130 require that a City that is changing from at-large to district-based elections do all of the following before a public hearing at which the City Council votes to approve or defeat an ordinance establishing district-based elections:

1. Before drawing a draft map or maps of the proposed boundaries of the districts, the political subdivision shall hold at least two public hearings over a period of no more than 30 days, at which the public is invited to provide input regarding the composition of the districts. Before these hearings, the political subdivision may conduct outreach to the public, including to non-English-speaking communities, to explain the districting process and to encourage public participation.

2. After all draft maps are drawn, the political subdivision shall publish and make available for release at least one draft map and, if members of the governing body of the political subdivision will be elected in their districts at different times to provide for staggered terms of office, the potential sequence of the elections. The political subdivision shall also hold at least two additional hearings over a period of no more than 45 days, at which the public is invited to provide input regarding the content of the draft map or maps and the proposed sequence of elections, if applicable. The first version of a draft map shall be published at least seven days before consideration at a hearing. If a draft map is revised at or following a hearing, it shall be published and made available to the public for at least seven days before being adopted; and

3. The final map must comply with the criteria provided in Elections Code section 21130.

WHEREAS, the City has retained special legal counsel and an expert demographer to assist the City to develop a proposal for a district-based electoral system; and

WHEREAS, the adoption of a district-based electoral system will not affect the terms of any sitting Council Member, each of whom must be allowed to serve out their current term by law.

NOW, THEREFORE BE IT RESOLVED AS FOLLOWS:

Section 1. The City Council of the City of Tracy hereby resolves to consider adoption of an ordinance to transition to a district-based election system as authorized by Government

Code Section 34886 for use in the City's next General Municipal Election for City Councilmembers, scheduled for November 3, 2026.

Section 2. The City Council of the City of Tracy hereby resolves to retain an at-large election for the office of Mayor.

Section 3. The City Council directs staff to work with the City Attorney, special legal counsel, the demographer, and other appropriate consultants as needed, to provide a detailed analysis of the City's current demographics and any other information or data necessary to prepare a draft map that divides the City into voting districts, in a manner consistent with the intent and purpose of the state and federal Constitutions, the California Voting Rights Act, Section 21130 of the California FAIR Maps Act and the Federal Voting Rights Act.

Section 4. The City Council hereby directs staff to perform public outreach to solicit public input and testimony on proposed district-based electoral maps before adopting any such map.

Section 5. The City Council directs staff to post information regarding the proposed transition to a district-based election system, including maps, notices, agendas and other information, and to establish a means of outreach to receive public input and to answer questions from the public.

Section 6. The City Council directs staff to schedule the public hearings required by Elections Code Section 10010 to ensure adoption of a district map and an ordinance establishing district elections by December 31, 2025, subject to potential extension as allowed by Elections Code Section 10010, but no later than six months before City's next municipal election in order to ensure the new districts will be used at the City's municipal elections to be held on November 3, 2026.

Section 7. This resolution shall become effective immediately upon its passage and adoption.

* * * * *

The foregoing Resolution 2025-_____ was adopted by the Tracy City Council on the 26th day August, 2025, by the following vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
ABSTENTION:	COUNCIL MEMBERS:

DAN ARRIOLA
Mayor of the City of Tracy, California

ATTEST:

APRIL B. A. QUINTANILLA
City Clerk and Clerk of the Council of the City of Tracy, California



Tracy City Council Districting

Districting Concepts and Process

August 26, 2025



Council Actions Requested

Determine whether to proceed with transitioning from at-large to by district elections.

Provide direction on both data to gather and outreach to conduct to inform the districting process



Potential Timeline

August 26, 2025 – Possibly approve the resolution.

August – September 2025: Public Outreach and Development of Districting Website

September 15, 2025: Website should be live so that public can visit prior to first set of Public Hearings

September 23, 2025: Special Meeting at 6:00pm – Public Hearing (before draft maps)

October 14, 2025: Special Meeting at 6:00pm – Public Hearing (before draft maps)

October 21, 2025: Staff Update to Council at Regular Meeting (before draft maps – provide update on public hearings, feedback received, and remainder of timeline; receive information and feedback from Council)

October 27, 2025: Draft Maps (version 1) complete

November 4, 2025: Public Hearing at Regular Council Meeting to receive feedback from Council and public on draft maps (version 1)



Potential Timeline Continued

November 10, 2025: Draft Maps (version 2, if applicable) complete (incorporation of Council feedback from November 4th)

November 18, 2025: Public Hearing at Regular Council Meeting to receive feedback from Council and public on draft maps (version 1 or version 2, depending on Public Hearing on November 4th)

November 24, 2025: Draft Maps (version 3, if applicable) complete (incorporation of Council feedback from November 18th)

December 2, 2025: Public Hearing to Introduce Ordinance for Final Map Adoption at Regular Council Meeting (incorporation of all changes from the November 18th meeting; Council can review and make final edits at this point)

December 8, 2025: Final Version of Maps (version 4, if applicable) complete (incorporation of Council feedback from December 2nd)

December 16, 2025: Final Map Adoption/Ordinance Adoption at Regular Council Meeting (incorporation of all changes from the December 2nd meeting)



California Voting Rights Act

- Can require jurisdictions to transition to district elections
- Provides guidance for sequencing of elections

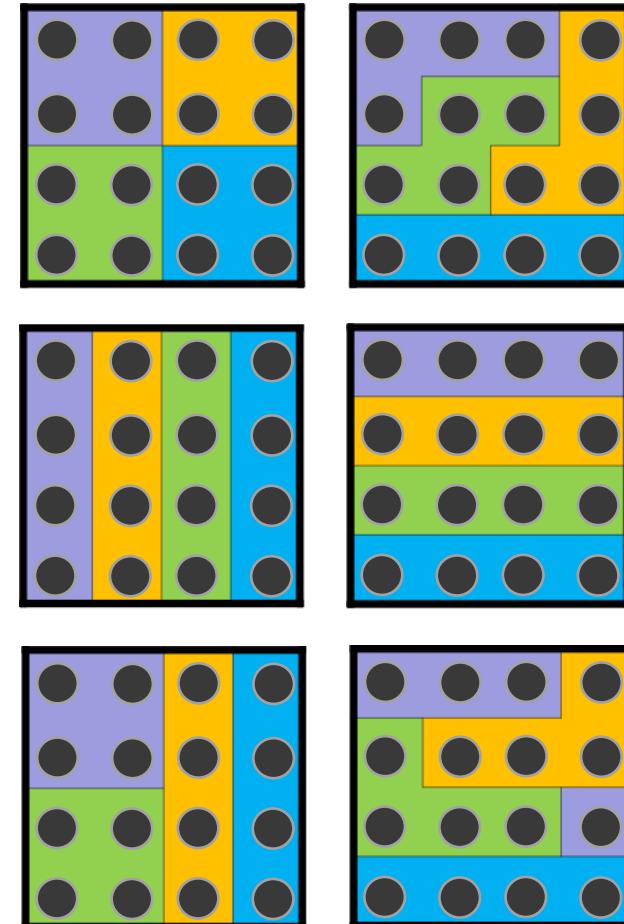
What is Districting?

As opposed to an at-large system, representatives are elected from districts

Districting is simply the process of drawing boundaries

How those lines are drawn affects how people are represented

Mayor still elected at-large





Relevant Laws

U.S. Constitution

Federal Voting Rights Act

State Constitution and Code

Case Law

Equal Population

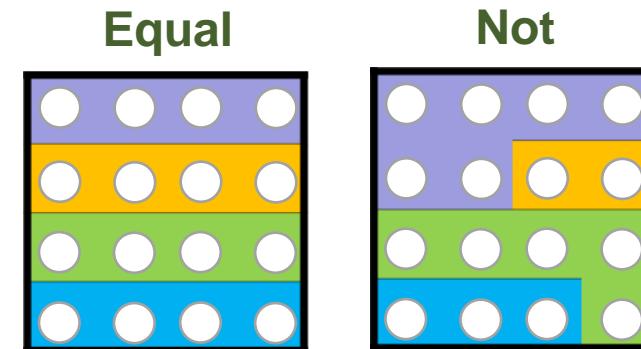
Equal Population: "As far as practicable"

Exact: no. Good faith: yes

Deviation: Difference between actual & ideal size

10% no longer clear “safe harbor”

California provides adjusted data for incarcerated populations





14th Amendment & Voting Rights Act

Race: Must not be the “predominant” factor

Can consider along with traditional, race-neutral, criteria

Traditional criteria must not be subordinate

Vote Dilution: Avoid depriving minority voters of an equal opportunity to elect a candidate of their choice

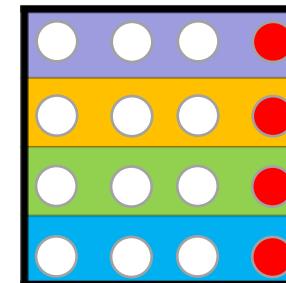
Discriminatory intent not required, only effect

Voting Rights Act

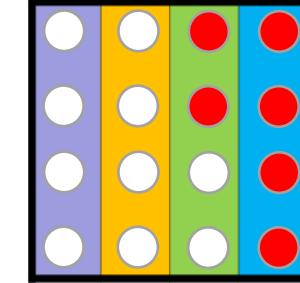
Gingles Criteria:

1. The minority group must be sufficiently large and geographically compact to constitute a majority in a district
2. The minority group must be politically cohesive
3. The white majority votes sufficiently as a block to enable it to usually defeat the minority's preferred candidate

Cracking



Packing



Dispersing into several districts such that a block-voting majority can routinely outvote

Concentrating to minimize influence in other districts



Traditional Criteria

**Election Code 22000
establishes ranked criteria:**
Contiguity

Community of Interests

Topography/Geography

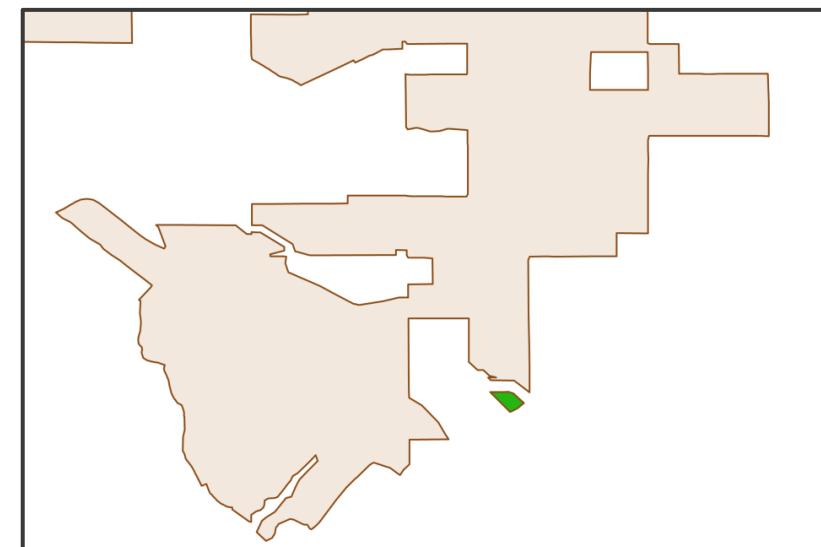
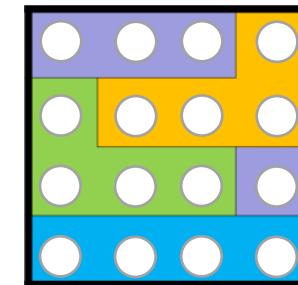
Compactness

Contiguity

Contiguity: All parts should be connected

Special cases such as non-contiguous portions of the city

Non-Contiguous



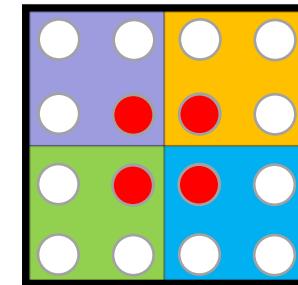
Community of Interest

Community of Interest:

Common social or economic interests. Bringing like people together for representation

Minimize splits and keep together to allow for effective and fair representation

Split Community

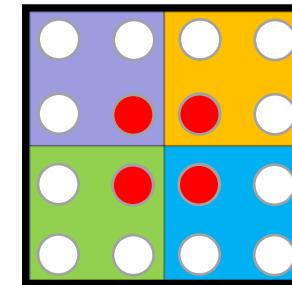


Community of Interest

Community of Interest:

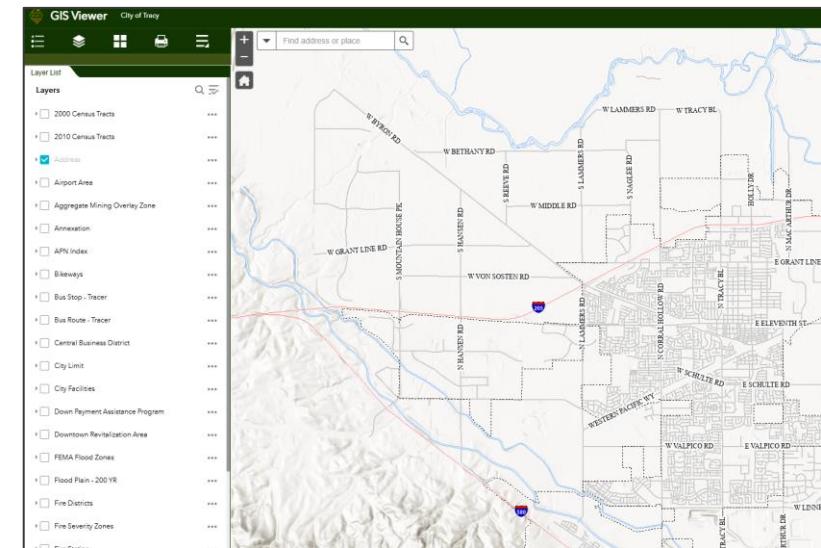
For example, shared policy concerns, socioeconomic characteristics, histories, and cultural districts

Split Community



Can consider existing information but no definitive dataset

Need public testimony!

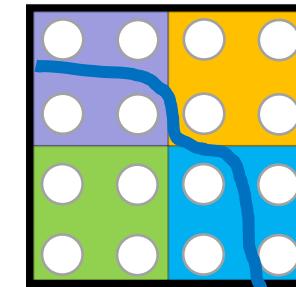


Topography/Geography

Topography and Geography:

Easily identifiable and understandable lines, following city, natural, and man-made boundaries

Split boundaries



Not always compact

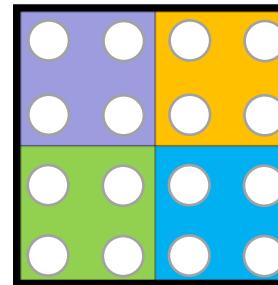


Compactness

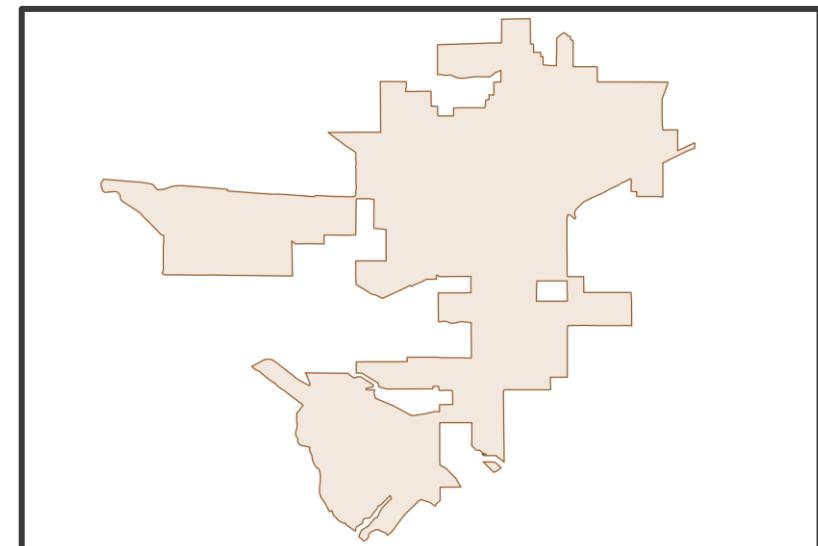
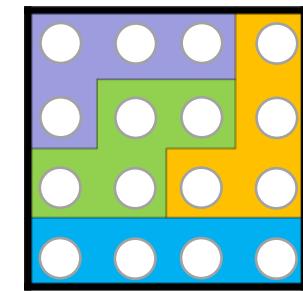
Compactness: Be aware of shape and appearance

Keeping in mind this is lower ranked than other criteria

More



Less

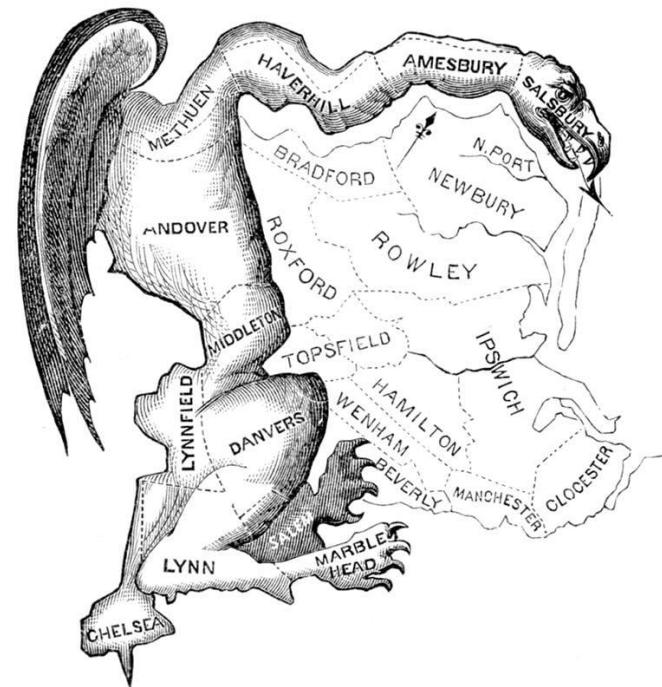


Prohibitions

Political Parties, Incumbents, & Candidates:

Cannot draw for purpose of
advantaging or disadvantaging

Communities of interest cannot
be defined by relationships
with any of the above



Things to Remember

Strive for population equality. Be prepared to justify deviations

Ensure compliance with federal Voting Rights Act. Avoid vote dilution where required

Do not use race as the predominant factor. Only as one of many factors and cannot subordinate other redistricting criteria

Focus on traditional criteria. Draw contiguous divisions, respecting communities of interest, making use of existing topography and geography, while being compact as possible.

Don't focus on politics. Avoid considering impacts on parties, incumbents, or candidates.



Census Data

Census: Conducted every ten years.

Purpose is to count every person

Used to determine if populations are equal

Reported by census blocks

ACS: Monthly sample averaged over five years

Purpose to estimate a more detailed demographics

Used to determine compliance with Voting Rights Act.

Reported primarily by census block groups or tracts

But California breaks down CVAP data to census block

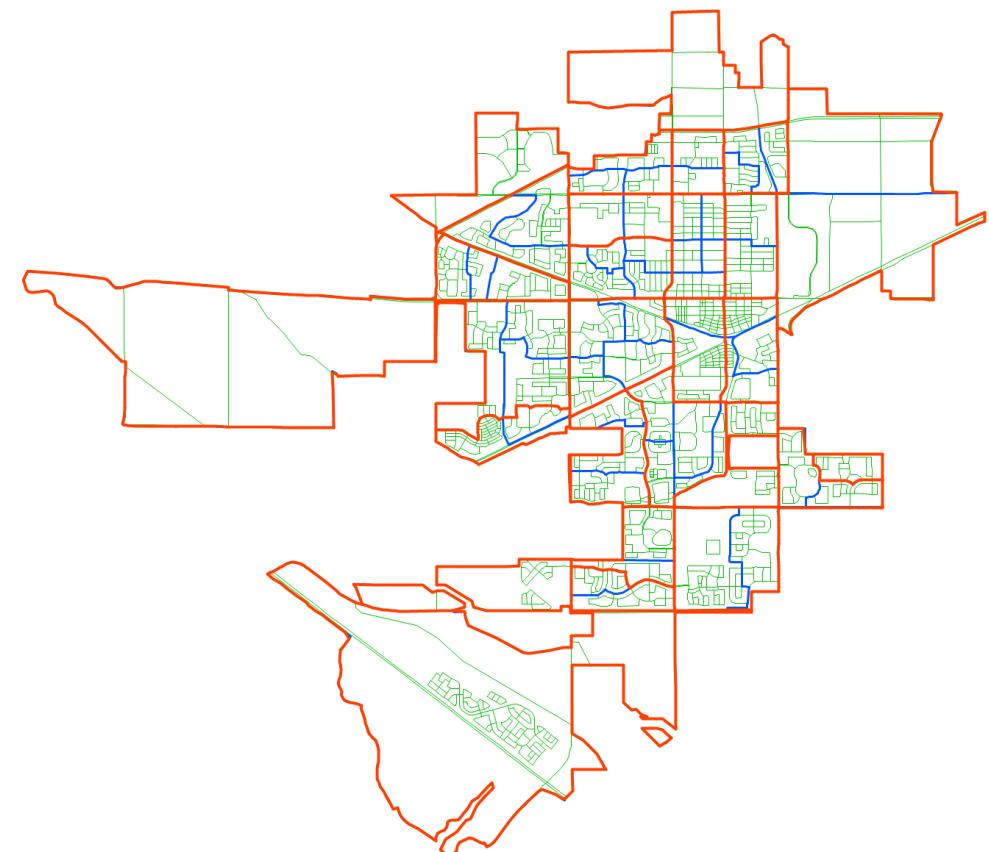
Census Geography

Type ⁺	#	Average Pop
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Block 1,072 87

Block Group 62 1,504

Tract 24 3,884



*+ Includes Block Groups and Tracts
only partially within the jurisdiction.*

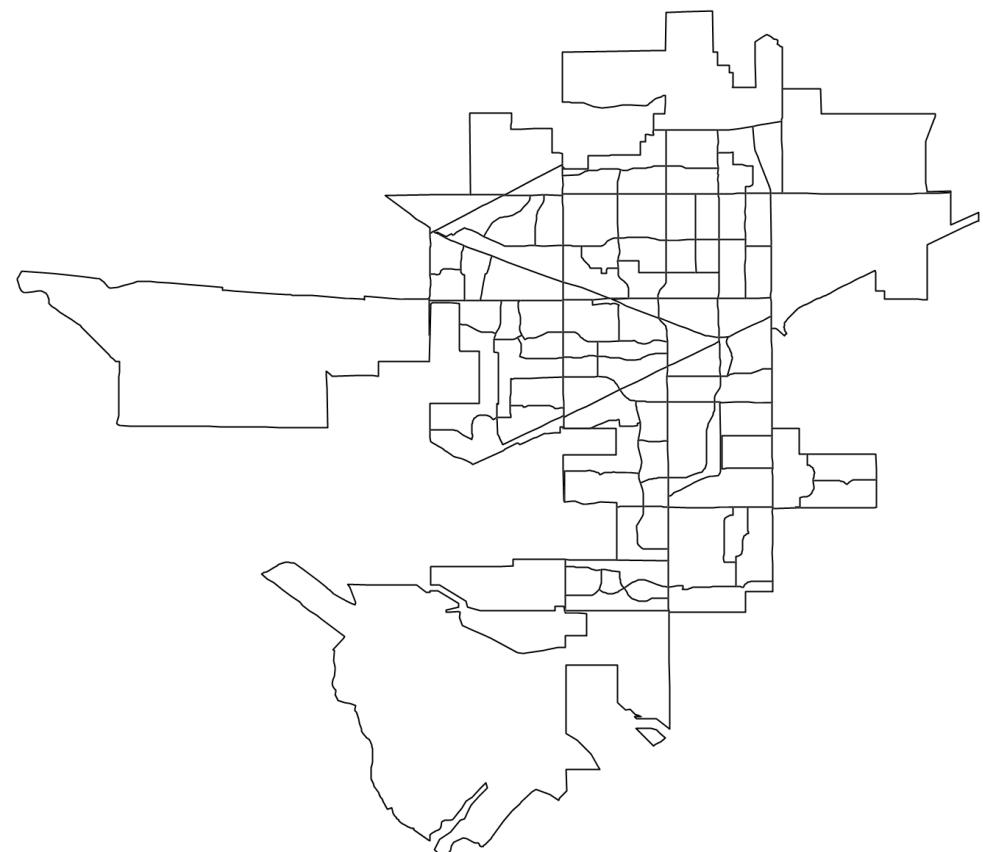
Slice Geography

Type	#	Average Pop
------	---	-------------

Slice 90 1,036

Slices: Combination of census and other understandable boundaries.

Used to lower barriers to public redistricting plans





Public Outreach

Public input is not only legally required, but also critical to producing the information needed to produce a plan.

Public can contribute in multiple ways.

Tools will be provided to allow submissions on either communities of interest or proposed plans.

The City will conduct a social media campaign and update its website with relevant information



Questions

PLEASE CONTACT THE CITY CLERK'S OFFICE WITH
ANY QUESTIONS.

cityclerk@cityoftracy.org / 209-831-6105

August 26, 2025

Agenda Item 6

RECOMMENDATION

City Council discuss and provide direction to staff regarding the potential drafting of a Project Labor Agreement (“PLA”) to be applied to select City-funded construction projects or consider analogous alternatives such as an update to the procurement policy and municipal code to reward bidders who guarantee a certain percentage of local workers and a community workforce apprenticeship program.

EXECUTIVE SUMMARY

This report provides an overview of Project Labor Agreements (“PLA”) (sometimes referred to as a Community Workforce Training Agreement or “CWTA”), recaps prior City Council discussion and direction, and seeks direction from the City Council on whether staff should pursue drafting an iteration of a PLA and/or related framework for certain City-funded construction projects; or, in the alternative, consider updates to the procurement policy and Municipal Code to protect the local workforce and encourage an apprenticeship program. PLAs are pre-hire collective bargaining agreements with labor organizations that establish the terms and conditions of employment for specific public works construction projects. Staff is seeking Council direction on whether to explore the implementation of a PLA or other alternatives as identified herein.

BACKGROUND AND LEGISLATIVE HISTORY

In recent years, select California jurisdictions have adopted Project Labor Agreements for large-scale public construction projects. PLAs are pre-hire collective bargaining agreements between a public agency and labor organizations that set the terms and conditions of employment for a specific project or category of projects. These agreements are intended to promote labor stability, ensure timely project delivery, and create opportunities for local hiring and apprenticeships.

Some larger municipalities in California, including Los Angeles, San Diego, Oakland, Elk Grove, and San Francisco, have adopted either project-specific PLAs or citywide PLA policies; locally in San Joaquin County, however, the only municipality to enter a long-term PLA is the City of Stockton. Alternatively, the City of Lathrop entered a single project specific PLA on a “test-run” basis, but to date has opted not to continue with a broad and long-term PLA. Some of these jurisdictions have cited benefits such as improved project coordination, enhanced local hiring outcomes, and stronger oversight of wage and apprenticeship compliance. The adoption of such agreements is often aligned with broader workforce equity goals, including the promotion of career pathways in the skilled trades. Other jurisdictions have noted project delays on certain projects and additional costs if the PLA mandates the use of certain supplies and/or materials or if the delays lead to cost overruns.

The City of Tracy does not currently have a PLA. While a PLA has been discussed by prior iterations of the Tracy City Council, there has been no adoption of a PLA for Tracy. On February 18, 2025, Mayor Arriola and Councilmember Nygard requested that staff return to the City Council

with an agenda item to discuss PLAs.

ANALYSIS

A Citywide PLA would provide a framework for consistent labor practices on designated public works projects above a certain dollar threshold (commonly more than \$5 million). Key elements typically included in PLAs are:

- Use of union labor or dispatch halls
- Local hire preferences and goals
- Use of state-certified apprenticeship programs
- Dispute resolution procedures
- Prohibition of strikes or work stoppages

The City of Tracy has not adopted a formal PLA or entered into any project-specific PLAs. However, the City Council directed staff to meet and negotiate with stakeholders in 2019. The parties failed to agree upon the minimum capital project value triggering the use of the PLA. The current discussion provides an opportunity for the City Council to evaluate whether such agreements could serve the City's goals in future infrastructure investments or if alternative options may assist the City Council of achieving its goals to hire local workers and highly encourage apprenticeship programs on City public works projects.

The City Council may consider several policy approaches vis-à-vis a PLA, such as: 1. voluntary/negotiated PLAs for projects greater than a certain threshold amount on a project-by-project basis subject to City Council approval; 2. a mandatory PLA with a certain threshold amount (subject to certain exemptions); or 3. a one-time "pilot" program PLA (similar to Lathrop) on a specific project basis, whereby Staff would come back to City Council after the project to report back on the pros and cons of the PLA. Following a review of the upcoming project list, Staff could recommend an appropriate project for a pilot program.

Alternatively, other jurisdictions (for instance the County of Marin) have instead adopted a bidding preference policy in their codes, which provides a fixed percent bidding preference to contractors who certify that at least a fixed percent of the workforce under the service contract will be local residents. This could also be expanded to include a bidding preference for bidders who include an apprenticeship program.

To the extent feasible, the City Council may direct staff to pursue one or more of the above options. Historically, negotiations for a PLA take at least one year or more, thus Staff could potentially pursue a parallel track based on some of the options above.

Policy Considerations:

1. **Voluntary/Negotiated PLAs (Project-Specific):** The City Council could direct staff to pursue the implementation of a policy that would allow for evaluating PLAs on a case-by-case project by project basis depending on project scope, funding, and complexity.

2. **Citywide Mandatory PLA for Projects > \$5M:** The City Council could direct staff to draft a policy that would require PLAs for all public works projects exceeding a certain threshold to ensure consistency and labor predictability.
3. **Targeted Policy:** Apply PLA requirements only to certain project types, such as vertical construction or projects with significant funding.
4. **Applicability to projects receiving federal or state funding:** Certain projects subject to federal or state funding may be exempt from using a PLA agreement and/or the City may be disqualified from acquiring certain funding through the implementation of a PLA.
5. **Single Project Applicability vs Aggregate Applicability:** It is important to distinguish between a PLA applying project specifically, and not on multiple projects conducting the same type of work during a fiscal year (for instance, but not limited to, roof repairs on City buildings, road repairs, sewer lines, etc....)
6. **Definition of a Local Work:** Important to be clear on who qualifies as a local in terms City, County, and/or neighboring residents. Tracy has a smaller workforce than Stockton and the other cities noted above, thus it would likely require the project to bring in workers from San Joaquin County or surrounding counties.
7. **Precedence Considerations:** To the extent the City has an exigent, urgent, and/or time sensitive public works/infrastructure project, determining what takes precedence – the project or the PLA will be critical.

FISCAL IMPACT

Adopting a PLA policy does not have an immediate, direct fiscal impact; however, implementation may affect project delivery costs and delay project timelines. Studies of PLA impacts are mixed, with some indicating marginal cost increases due to wage scale requirements and/or the mandating of union made/supplied materials, while others cite cost savings through reduced delays, fewer labor disruptions, and improved project coordination.

If so directed, Staff recommends that any PLA include provisions for periodic review and evaluation of cost and performance impacts.

STRATEGIC PLAN

This agenda item supports the City's Economic Development Strategy, and specifically implements the following goal:

Attract businesses and Jobs that meet the needs and desires of the community

Goal 4: Partner with regional agencies and local industry to provide workforce training and opportunities.

ACTION REQUESTED OF THE CITY COUNCIL

City Council discuss and provide direction to staff regarding the development of a Project Labor Agreement (PLA) or alternative option to be applied to City-funded construction projects.

Agenda Item 6

August 26, 2025

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Approved by: Midori Lichtwardt, City Manager



Protecting Local Workers

Potentially Implementing a PLA or Other Alternative

August 26, 2025

Direction to Staff

- On February 18, 2025, Mayor Arriola and Councilmember Nygard requested that staff return to the City Council with an agenda item to discuss Project Labor Agreements (or PLAs)
- PLAs are pre-hire collective bargaining agreements between a public agency and labor organizations that set the terms and conditions of employment for a specific project or category of projects. These agreements are intended to promote labor stability, ensure timely project delivery, and create opportunities for local hiring and apprenticeships.



Prior City Discussions ~ 2019

- A prior City Council directed staff to meet and negotiate with stakeholders in 2019. The parties failed to agree upon the minimum capital project value triggering the use of the PLA, as well:
 - 1) Cost control measures
 - “carve out” a percentage of subcontract dollar value that can be performed without PLA coverage so as to not drive up costs by discouraging bids from non-union contractors.
 - City option to re-bid without PLA coverage if bids come back higher than a percentage above engineer estimates.
 - 2) Terms of non-union contractor participation or “core workers”
 - This provision of a PLA provides terms for non-union contractors to utilize their existing workforce on a project, as opposed to the requirement to hire workers from a union hiring hall. The more restrictions there are for who can be a core worker, the harder it is for non-union contractors to participate on PLA projects, and the less likely they are to bid.
 - 3) Local hiring related to the use of local apprentices who are Tracy residents from the state-approved apprentice program that are not affiliated with a union
 - Negotiations took over one year (very typical for these types of agreements)

Jurisdictions That Utilize a PLA

- Los Angeles, San Diego, Oakland, Elk Grove, and San Francisco, have adopted either project-specific PLAs or citywide PLA policies
- Locally in San Joaquin County, however, the only municipality to enter a long-term PLA is the City of Stockton.
- Alternatively, the City of Lathrop entered a single project specific PLA on a “test-run” basis, but to date has opted not to continue with a broad and/or long-term PLA.

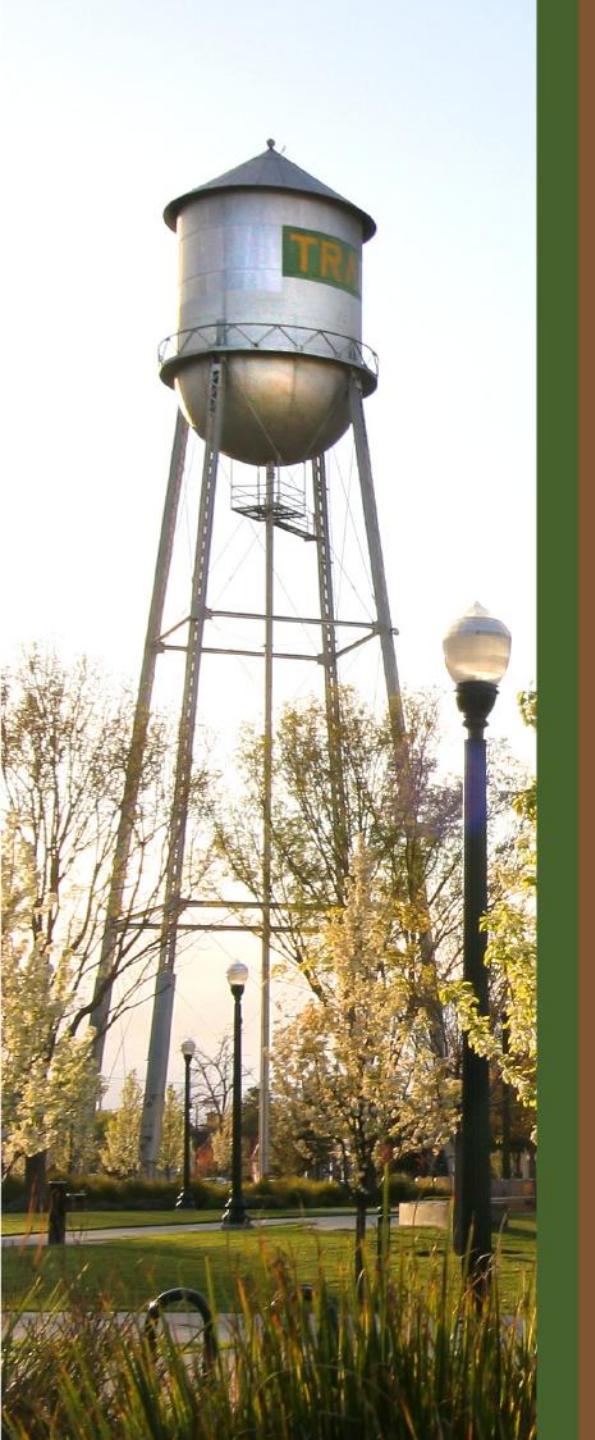




Think Inside the Triangle™

Pros of a PLA

- PLAs are intended to promote labor stability, ensure timely project delivery, and create opportunities for “local” hiring and apprenticeships.
- Includes the promotion of career pathways in the skilled trade.
- Specific goals include:
 - 1) Use of union labor or dispatch halls
 - 2) Local hire preferences and goals
 - 3) Use of state-certified apprenticeship programs
 - 4) Dispute resolution procedures
 - 5) Prohibition of strikes or work stoppages

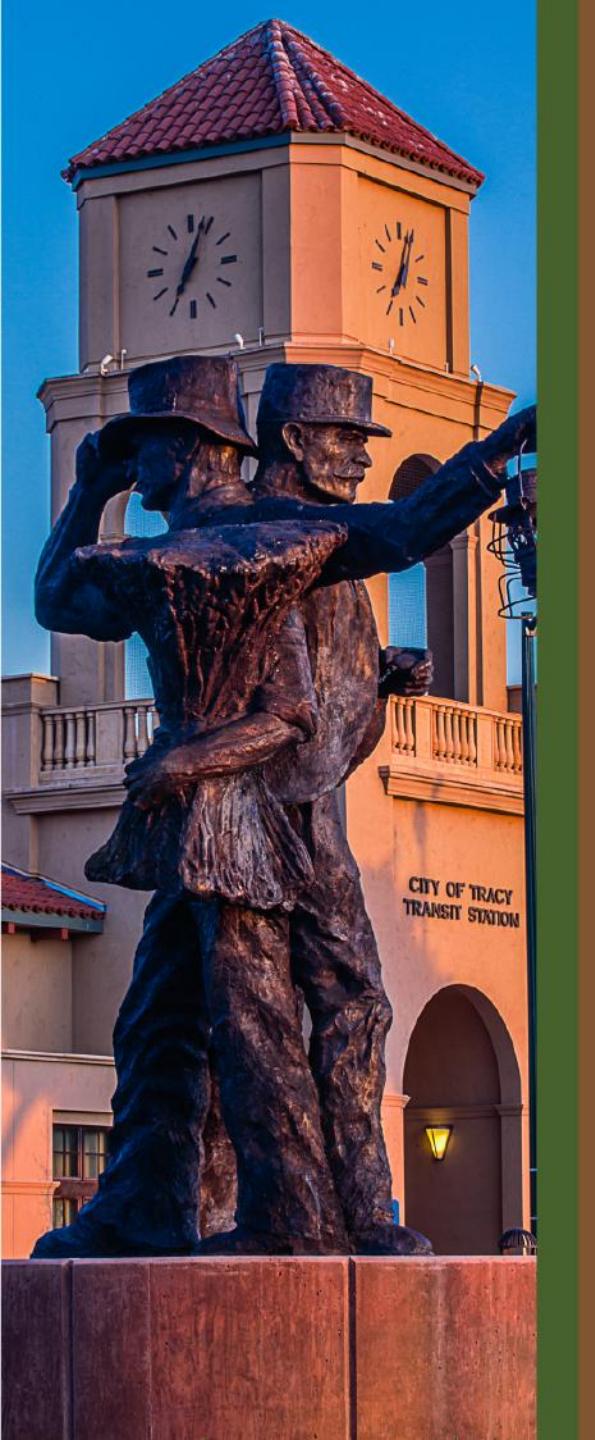


Cons of a PLA

- Project delays on certain projects and additional costs if the PLA mandates the use of certain supplies and/or materials or if the delays lead to cost overruns.
- Not always “local”
- Having to choose between exigent projects and a PLA
- Federal Funding Uncertainty
- Aggregating
- Not Preferred by Contractors



Think Inside the Triangle®



Alternative Protections

- The County of Marin has codified a bidding preference as follows:
“There shall be a five percent bidding preference to contractors who certify that at least fifty percent of the workforce under the service contract will be Marin County residents.”
- This preference could also apply to bidders who certify a state-certified apprentice program



Think Inside the Triangle™



City Council Options

- 1. Voluntary/negotiated PLAs for projects greater than a certain threshold amount on a project-by-project basis subject to City Council approval;
- 2. A mandatory PLA with a certain threshold amount (subject to certain exemptions);
- 3. A one-time “pilot” program PLA (similar to Lathrop) on a specific project basis, whereby Staff would come back to City Council after the project to report back on the pros and cons of the one-time PLA;
- 4. An ordinance update similar to Marin County; or
- 5. A combination of one or more of the above.



Questions, Comments?

- Staff is looking for direction/consensus from City Council regarding next steps.

August 26, 2025

Agenda Item 7

RECOMMENDATION: COUNCIL REQUESTED

Discuss whether the City Council would like to form an Ad-Hoc Sustainability Committee.

EXECUTIVE SUMMARY

On June 3, 2025, during Council items, Council Member Nygard requested a discussion item for consideration of the formation of a two (2) member council-led Ad-Hoc Committee to address City participation in the State's Climate Goals and work in collaboration with the existing Council directed Environmental Sustainability Committee. Mayor Arriola supported the request. This item is being agendized per Council Member Nygard's request and asks that City Council determine through discussion if it would like to form an Ad-Hoc Committee.

ANALYSIS

This is a discussion item requested by Council Member Nygard to determine the City Council's views on forming a new Ad-Hoc Committee to aid in addressing environmental concerns and collaborating with the existing City Council directed Environmental Sustainability Committee. Staff recommends that consideration be given to what would be different between the Ad-Hoc Committee and the direction given to the existing Environmental Sustainability Committee? Is there potential for addressing Council concerns through the existing Environmental Committee? Council may consider directing the existing Environmental Sustainability Committee to form a Clean Energy Vehicle subcommittee as an alternative to a new Council-led Committee.

If City Council determines that it would like to form an ad-hoc sustainability Committee, staff would agendize an item for a future City Council meeting that identifies what City Council would need to consider and take action on in order to form the Ad-Hoc Committee or if it should utilize the existing City Council directed Environmental Sustainability Committee for this purpose. Information would include discussion items such as purpose, scope, duration, member makeup, collaboration opportunities, timeline and deliverables, and challenges as well as alternatives to formation of a new Ad-Hoc Committee.

FISCAL IMPACT

There is no fiscal impact associated with the formation of an Ad-Hoc Sustainability Committee.

ACTION REQUESTED OF THE CITY COUNCIL

Discuss whether the City Council would like to form an Ad-Hoc Sustainability Committee

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August 26, 2025
Page 2

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