



# CITY OF MERCED

City Council Chamber  
Merced Civic Center  
2nd Floor  
678 W. 18th Street  
Merced, CA 95340

## Minutes

### City Council/Public Finance and Economic Development Authority/Parking Authority/Successor Agency to the Redevelopment Agency

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Monday, May 15, 2023

6:00 PM

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#### A. CLOSED SESSION ROLL CALL

#### B. CLOSED SESSION

Mayor SERRATTO called the Closed Session to order at 5:05 PM.

**Clerk's Note:** Council Member XIONG arrived to Closed Session at 5:06 PM.

**B.1.** **SUBJECT:** PUBLIC EMPLOYEE APPOINTMENT - TITLE: City Attorney; AUTHORITY: Government Code 54957

**B.2.** **SUBJECT:** CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION Initiation of Litigation Pursuant to Paragraph (4) of Subdivision (d) of Section 54956.9: one (1) Potential Case

**Clerk's Note:** Council adjourned from Closed Session at 5:34 PM.

#### C. CALL TO ORDER

Mayor SERRATTO called the Regular Meeting to order at 6:01 PM.

C.1. Invocation - Caesar Johnson, Christian Life Center Merced

The Invocation was delivered by Pastor Caesar JOHNSON of the Christian Life Center Merced.

C.2. Pledge of Allegiance to the Flag

Mayor SERRATTO led the Pledge of Allegiance to the Flag.

#### D. ROLL CALL

**Present:** 6 - Mayor Matthew Serratto, Council Member Jesse Ornelas, Council Member Sarah Boyle, Council Member Ronnie DeAnda, Council Member Shane Smith, and Council Member Fue Xiong

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**Absent:** 1 - Mayor Pro Tempore Bertha Perez

D.1. In accordance with Government Code 54952.3, it is hereby announced that the City Council sits either simultaneously or serially as the Parking Authority and the Public Financing and Economic Development Authority. City Council members receive a monthly stipend of \$400.00 by Charter for sitting as the City Council; and the Mayor receives an additional \$100.00 each month as a part of the adopted budget and Resolution 2020-86. The members of the Parking Authority and the Public Financing and Economic Development Authority receive no compensation.

## E. REPORT OUT OF CLOSED SESSION

There was no report.

## F. CEREMONIAL MATTERS

F.1. **SUBJECT:** Proclamation - Foster Care Awareness Month

### REPORT IN BRIEF

The Foster Care Awareness Month Proclamation will be presented to a representative of Merced College NextUp.

Mayor SERRATTO presented the Foster Care Awareness Month Proclamation to Dondi LAWRENCE from Merced College Next Up.

## G. WRITTEN PETITIONS AND COMMUNICATIONS

**Clerk's Note:** Emails were received for the following agenda item and forwarded to Council prior to the meeting.

Oral Communication: George SANCHEZ and Leilani LEWIS.

## H. ORAL COMMUNICATIONS

Rick WENDLING, Merced - spoke on the Nut Festival event and paving streets to entice tourists.

Adam CONOUR, Merced - spoke on developing Veteran housing in Merced.

Khi MOUA, Merced - spoke on the well-being of the Hmong community and shared Hmong events in Merced.

Rodrigo ESPINOSA, Merced County Supervisor, Merced - invited everyone to his Town Hall event.

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Christan SANTOS, Representative of Congressman John DUARTE - spoke on National Peace Officer Week and Congressman John DUARTE's past voting actions.

Arturo MARTINEZ, Representative of State Senator Anna CABALLERO, Merced - introduced a new internship opportunity and asked citizens to ensure they update their contact information for Merced County's state services.

Victoria ESPINOZA, Merced - spoke on flying a separate flag in the month of June and shared her religious beliefs.

## I. CONSENT CALENDAR

Agenda Items I.3. Approval of a Third Amendment to the Lease Agreement Between the City of Merced and Kaljian Family Revocable Trust for the Evidence Storage Facility at 450/460 Grogan Avenue, I.4. Approval to Waive the Competitive Bidding Requirement, Approval of the Purchase of Sansio's HealthEMS Master Software Licensing Agreement for Use of Their "Electronic Patient Care Records" System, Authorization for Four Additional One-Year Renewals, and Approval to Terminate the Existing "Electronic Patient Care Records" Agreement with ESO Solutions, Inc., I.6. Considers Adopting the Recreation and Parks Commission Recommendation to Extend Current Lease Agreements for McCombs Youth Center with Boys and Girls Club of Merced County, 27th & K Street Youth Center with Restorative Justice League and Challenged Family Resource Center and to Open McNamara Youth Center to Request for Interest for Youth Programming Over a One Year Term with an Option to Extend an Additional One Year Term Next Fiscal Year, I.7. Downtown Merced Property Based Improvement District (PBID) Approval for City Manager or Deputy City Manager to Sign Petition and Assessment Ballot, and I.8. Authorization to Accept \$14,451,000 from the Federal Aviation Administration Coronavirus Air, Relief, and Economic Security Act Program for Use on the Merced Yosemite Regional Airport Terminal Replacement Project, Project Number CP230060; were pulled for separate consideration.

### Approval of the Consent Agenda

**A motion was made by Council Member Boyle, seconded by Council Member Ornelas, to approve the Consent Agenda. The motion carried by the following vote:**

**Aye:** 6 - Mayor Serratto, Council Member Ornelas, Council Member Boyle, Council Member DeAnda, Council Member Smith, and Council Member Xiong

No: 0

Absent: 1 - Mayor Pro Tempore Perez

I.1. **SUBJECT: Reading by Title of All Ordinances and Resolutions**

**REPORT IN BRIEF**

Ordinances and Resolutions which appear on the public agenda shall be determined to have been read by title and a summary title may be read with further reading waived.

**RECOMMENDATION**

**City Council** - Adopt a motion waiving the reading of Ordinances and Resolutions, pursuant to Section 412 of the Merced City Charter.

**This Consent Item was approved.**

I.2. **SUBJECT: Approval of City Council/Public Financing and Economic Development/Parking Authority Meeting Minutes of December 05, 2022**

**REPORT IN BRIEF**

Official adoption of previously held meeting minutes.

**RECOMMENDATION**

**City Council/Public Financing and Economic Development/Parking Authority** - Adopt a motion approving the meeting minutes of December 05, 2022.

**This Consent Item was approved.**

I.5. **SUBJECT: Approval of Street Closure Request #23-09 by the Merced County Sheriff's Department for Merced County Fair (36th District Agricultural Association/Merced County Fair) to Close Traffic on G Street, Between W. Childs Avenue and 11th Street, During the Merced County Fair from June 7th - 8th, 2023, from 3:00 p.m. to 11:00 p.m., and June 9th - 10th, 2023, from 3:00 p.m. to 12:00 a.m.**

**REPORT IN BRIEF**

Considers approving a request by the Merced County Sheriff's

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Department for the Merced County Fair (36th District Agricultural Association/Merced County Fair) for the closure and use of City streets to control traffic for the Merced County Fair. The request seeks approval to close G Street, between W. Childs Avenue and 11th Street, on June 7th - 8th, 2023, from 3:00 p.m. to 11:00 p.m., and June 9th - 10th, 2023, from 3:00 p.m. to 12:00 a.m.

**RECOMMENDATION**

**City Council** - Adopt a motion approving the street closure of G Street, between W. Childs Avenue and 11th Street, from June 7th - 8th, 2023, from 3:00 p.m. to 11:00 p.m., and June 9th - 10th, 2023, from 3:00 p.m. to 12:00 a.m., for the Merced County Fair, subject to the details and conditions outlined in the administrative staff report.

**This Consent Item was approved.**

**I.9.**

**SUBJECT:** Authorization to Adopt and Implement the Integrated Pest Management Policy as Required by the Central Valley Water Board (CVWB), Order Number R5-2017-0057

**REPORT IN BRIEF**

Considers authorizing to adopt and implement the policies set forth in the City of Merced's Integrated Pest Management Policy as required by the CVWB, Order Number R5-2017-0057.

**RECOMMENDATION**

**City Council** - Adopt a motion approving the proposed Integrated Pest Management Policy as a City-wide policy for the internal and external use of pesticides on City-owned property.

**This Consent Item was approved.**

**I.10.**

**SUBJECT:** Approval to Waive the Competitive Bidding Requirements and Authorizing the Purchase of 24,192 Kitchen Bins Through a Cooperative Purchasing Agreement with Sourcewell via Toter LLC, for \$133,964.06

**REPORT IN BRIEF**

Considers approving to waive the competitive bidding requirements pursuant to Merced Municipal Code Section 3.04.210 to purchase kitchen bins mostly funded through a CalRecycle issued grant, currently

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budgeted, and Council approved through the government procurement program Sourcewell.

**RECOMMENDATION**

**City Council** - Adopt a motion:

A. Waiving the City's competitive bidding requirement as permitted by Merced Municipal Code section 3.04.210 and authorizing the purchase to be made with a cooperative purchase agreement through Sourcewell, a government procurement program; and,

B. Approving the purchase of 24,192 kitchen bins in the amount of \$133,964.06 from Toter LLC., through Sourcewell contract # 041521-TOT; and,

C. Authorizing the City Manager or the Deputy City Manager to execute any necessary documents for the purchases specified above, the Finance Officer to make the appropriate budget adjustments and City Buyer to issue the Purchase Orders, and approval of change orders not to exceed 10% of the total purchase price.

**This Consent Item was approved.**

**I.11.**

**SUBJECT:** Approval of a Supplemental Appropriation in the Fund 7006-Fleet Replacement in the Amount of \$289,823 and Approval to Waive the Competitive Bidding Requirements and Authorizing the Purchase of One 3600 Gallon Water Truck Through a Cooperative Purchasing Agreement with Sourcewell via Interstate Truck Center for \$263,475.00, Plus Applicable State and DMV Fees

**REPORT IN BRIEF**

Considers approving a supplemental appropriation in Fund 7006-Fleet Replacement in the amount of \$289,823, waiving the competitive bid requirement and authorizing the purchase of one 3600-gallon water truck.

**RECOMMENDATION**

**City Council** - Adopt a motion:

A. Approving a supplemental appropriation from the unreserved, unencumbered fund balance in Fund 7006-Fleet Replacement and

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appropriating in Vehicle Expenditure in the amount of \$289,823; and,

B. Waiving the City's competitive bidding requirement as permitted by Merced Municipal Code section 3.04.210 and authorizing the purchase to be made with a cooperative purchase agreement through Sourcewell, a government procurement program; and,

C. Approving the purchase of one 3600 Gallon Water Truck in the amount of \$263,475.00, plus applicable State and DMV fees, from Interstate Truck Center through Sourcewell contract #060920-PMC; and,

D. Authorizing the City Manager or Deputy City Manager to execute the necessary documents, the Finance Officer to make the necessary budget adjustments and the City Buyer to issue the Purchase Order, and approval of change orders not to exceed 10% of the total purchase price.

**This Consent Item was approved.**

**I.12.**

**SUBJECT: Acceptance of Future Reimbursement from McLaren's Insurance for a Refuse Roll-Off Truck that is Damaged Beyond Repair, Approval of a Supplemental Appropriation in the Fleet Replacement Fund 7006 in the Amount of \$225,429, and Approval to Waive the Competitive Bidding Requirements and Authorizing the Purchase of One Refuse Roll-Off Truck Through a Cooperative Purchasing Agreement with Sourcewell via Interstate Truck Center for \$204,935.40, Plus Applicable State and DMV Fees**

**REPORT IN BRIEF**

Considers approving future reimbursement approving a supplemental appropriation in Fund 7006-Fleet Vehicle Replacement in the amount of \$225,645 and approval to waive the competitive bid requirement and authorize the purchase of one roll-off refuse truck and accept future reimbursement from McLaren's Insurance.

**RECOMMENDATION**

**City Council - Adopt a motion:**

A. Accepting insurance reimbursement and increasing revenue in the amount of \$179,936.00 (estimate) from McLaren's Insurance in Fund 7006-Fleet Replacement and approving the use of pooled cash until

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reimbursement from insurance is received; and,

B. Approving a supplemental appropriation from the unreserved, unencumbered fund balance in the Fund 7006-Fleet Replacement and appropriating to Vehicle Expenditure in the amount of \$225,429 to purchase the replacement of the unrepairable roll-off refuse truck; and,

C. Waiving the City's competitive bidding requirement as permitted by Merced Municipal Code section 3.04.210 and authorizing the purchase to be made with a cooperative purchase agreement through Sourcewell, a government procurement program; and,

D. Approving the purchase of Refuse Roll-Off Truck in the amount of \$204,935.40, plus applicable State and DMV fees, from Interstate Truck Center through Sourcewell contract #060920-PMC; and,

E. Authorizing the City Manager or Deputy City Manager to execute the necessary documents, the Finance Officer to make the necessary budget adjustments and the City Buyer to issue the Purchase Order, and approval of change orders not to exceed 10% of the total purchase price.

**This Consent Item was approved.**

**I.13.**

**SUBJECT: Approval to Waive the Competitive Bidding Requirements and Authorizing the Purchase of One 12-Foot Dumping Flatbed Through a Cooperative Purchasing Agreement with Sourcewell via PB Loader Corporation for \$162,539.10**

**REPORT IN BRIEF**

Considers approving to waive the competitive bidding requirements pursuant to Merced Municipal Code Section 3.04.210 to purchase a currently budgeted and Council approved fleet vehicle through the government procurement program Sourcewell.

**RECOMMENDATION**

**City Council** - Adopt a motion:

A. Waiving the City's competitive bidding requirement as permitted by Merced Municipal Code section 3.04.210 and authorizing the purchase to be made with a cooperative purchase agreement through Sourcewell, a government procurement program; and,

B. Approving the purchase of one 12-foot dumping flatbed in the amount of \$162,539.10, from PB Loader Corporation through Sourcwell contract #080521-PBL; and,

C. Authorizing the City Manager or Deputy City Manager to execute the necessary documents, the Finance Officer to make the necessary budget adjustments, the City Buyer to issue the Purchase Order, and approval of change orders not to exceed 10% of the total purchase price.

**This Consent Item was approved.**

**I.14.**

**SUBJECT: Approval of an Agreement for Professional Services with West Coast Arborists, Inc., for Tree Pruning and Removal Services at Several Identified Priority 1 Locations in Districts 3 and 5 (Funded by Measure Y), Davenport, Fahrens Park I, Fahrens Park II, Mansionette, Yosemite Gateway, and Village Landing Maintenance Districts, and Bellevue Ranch East, Cypress Terrace East, and Moraga Community Facilities Districts, in a Total Amount not to Exceed \$545,425 Through the Contract Term Ending June 30, 2025 with an Option to Extend Through June 30, 2027**

**REPORT IN BRIEF**

Considers approving an Agreement for Professional Services with West Coast Arborists, Inc., for tree pruning and removal services at several identified priority 1 locations in Council District 3 and 5, as well as various maintenance and community facilities districts for a total amount not to exceed \$545,425.

**RECOMMENDATION**

**City Council** - Adopt a motion:

A. Approving an Agreement for Professional Services with West Coast Arborists, Inc., in the amount not to exceed \$545,425 for Tree Pruning and Removal Services; and,

B. Authorizing future contract amendments to add additional pruning and removal locations at a mutually agreeable rate, contingent upon available budget, through June 30, 2027; and,

C. Authorizing the City Manager or Deputy City Manager to sign the

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necessary documents.

**This Consent Item was approved.**

**I.3.**

**SUBJECT:** Approval of a Third Amendment to the Lease Agreement Between the City of Merced and Kaljian Family Revocable Trust for the Evidence Storage Facility at 450/460 Grogan Avenue

**REPORT IN BRIEF**

Considers approving the third amendment to the lease agreement exercising an option to extend the lease 5-years with a new lease rate for a ±10,410 square foot warehouse and ±1.12-acre yard for use by the Merced Police Department with the Kaljian Family Revocable Trust.

**RECOMMENDATION**

**City Council** - Adopt a motion:

A. Approving the Third Amendment to the Lease Agreement with the Kaljian Family Revocable Trust for the facility and yard at 460 Grogan Avenue extending the lease for five years with new lease rates; and,

B. Authorizing the City Manager or Deputy City Manager to execute the necessary documents.

Mayor SERRATTO pulled this item at the request of Council Member XIONG.

Council Member XIONG spoke on prices and compared to previous amendments.

**A motion was made by Council Member Boyle, seconded by Council Member Smith, that this agenda item be approved. The motion carried by the following vote:**

**Aye:** 4 - Mayor Serratto, Council Member Boyle, Council Member DeAnda, and Council Member Smith

**No:** 2 - Council Member Ornelas, and Council Member Xiong

**Absent:** 1 - Mayor Pro Tempore Perez

**I.4.**

**SUBJECT:** Approval to Waive the Competitive Bidding Requirement, Approval of the Purchase of Sansio's HealthEMS Master Software Licensing Agreement for Use of Their "Electronic Patient Care Records" System, Authorization for Four Additional One-Year Renewals, and Approval to Terminate the Existing

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“Electronic Patient Care Records” Agreement with ESO Solutions, Inc.

**REPORT IN BRIEF**

Considers approving to waive the competitive bidding requirements pursuant to Merced Municipal Code Section 3.04.210 to purchase the Sansio’s HealthEMS Master Software Licensing Agreement for use of their “Electronic Patient Care Records” system, authorization for four additional one-year renewals for a total not to exceed \$122,142, and approval to terminate the existing “Electronic Patient Care Records” Agreement with ESO Solutions, Inc.

**RECOMMENDATION**

**City Council** - Adopt a motion:

- A. Authorizing the waiving of the competitive bidding requirement as permitted by Merced Municipal Code section 3.04.210 for sole sourcing based upon Sansio being the only company licensed to provide the unique necessary ePCR features needed by the Merced Fire Department; and
- B. Authorizing the City Manager or Deputy City Manager to negotiate and execute the software subscription agreement with Sansio Inc. for purchase of Sansio’s HealthEMS Master Software Licensing Agreement, with four one-year renewals, for a total amount not to exceed \$122,142 (including a 10% contingency) over a 5-year period, with future funding contingent upon City Council’s budget approval; and,
- C. Authorizing the City Manager or the Deputy City Manager to execute the necessary documents, the Finance Officer to make the necessary budget adjustments, and the City Purchasing Supervisor to issue the Purchase Order/Change Order(s), and approval of change orders not to exceed 10% of the purchase price; and
- D. Authorizing the City Manager to terminate the existing “Electronic Patient Care Records” system software subscription with ESO Solutions.

Mayor SERRATTO pulled this item at the request of Council Member XIONG.

Council, Fire Chief Derek PARKER, and City Manager Stephanie DIETZ

discussed the terms of terminating the Patient Care Records section of the contract with previous vendor, Council's recommendation, clarifying the motion, the legal review of the proposed contract, and the time sensitivity.

**A motion was made by Council Member Smith, seconded by Council Member Ornelas, to give the City authority to terminate the Patient Care Records portion of the ESO Solutions contract consistent with the Fire Department's request and transition the Electronic Patient Care Records Management over to Sansio HealthEMS. The motion carried by the following vote:**

**Aye:** 6 - Mayor Serratto, Council Member Ornelas, Council Member Boyle, Council Member DeAnda, Council Member Smith, and Council Member Xiong

**No:** 0

**Absent:** 1 - Mayor Pro Tempore Perez

I.6.

**SUBJECT:** Considers Adopting the Recreation and Parks Commission Recommendation to Extend Current Lease Agreements for McCombs Youth Center with Boys and Girls Club of Merced County, 27th & K Street Youth Center with Restorative Justice League and Challenged Family Resource Center and to Open McNamara Youth Center to Request for Interest for Youth Programming Over a One Year Term with an Option to Extend an Additional One Year Term Next Fiscal Year

#### REPORT IN BRIEF

The Recreation and Parks Commission is recommending Council's approve the extension of lease agreements with Boys and Girls Club of Merced County for the McCombs Youth Center, Restorative Justice League and Challenged Family Resource Council for the 27th & K Street Youth Center and opening a Request for Interest to lease McNamara Youth Center for afterschool and summer youth programming. All leases are subject to a one-year extension with the potential to extend one additional year.

#### RECOMMENDATION

**City Council-** Adopt a motion:

A. Approving the recommendation of the Recreation and Parks Commission to extend the current Lease Agreement with Boys and Girls Club of Merced County for McCombs Youth Center, Restorative Justice League for 27th & K Street Youth Center, Challenged Family Resource Center for 27th & K Street Youth Center for youth

programming for a one-year term with option to extend an additional one-year term next fiscal year; and,

B. Authorizing staff to solicit Request for Interest (RFI) for providing youth services at McNamara Youth Center; and,

C. Authorizing City Manager or Designee to execute all necessary documents.

Mayor SERRATTO pulled this item at the request of the public.

**Clerk's Note:** The public speaker pulled their request to speak.

Council, City Manager Stephanie DIETZ, and Director of Parks and Community Services Christopher JENSEN discussed the time frame of the lease agreements, details of the agreements, and potentially using these spaces for other programs.

**A motion was made by Council Member Boyle, seconded by Council Member Smith, that this agenda item be approved. The motion carried by the following vote:**

**Aye:** 6 - Mayor Serratto, Council Member Ornelas, Council Member Boyle, Council Member DeAnda, Council Member Smith, and Council Member Xiong

**No:** 0

**Absent:** 1 - Mayor Pro Tempore Perez

I.7.

**SUBJECT: Downtown Merced Property Based Improvement District (PBID) Approval for City Manager or Deputy City Manager to Sign Petition and Assessment Ballot**

**REPORT IN BRIEF**

Staff is requesting that the City Council and Parking Authority authorize the City Manager or Deputy City Manager to sign the Property Based Improvement District (PBID) petition and Assessment Ballot for City owned properties with the proposed PBID boundary.

**RECOMMENDATION:**

**City Council** - Adopt a motion:

A. Authorizing the City Manager or Deputy City Manager to sign the petition and assessment ballot in support of the Downtown Merced

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Property Based Improvement District formation for all City-owned properties included within the PBID boundary.

**Parking Authority - Adopt a Motion:**

A. Authorizing the City Manager or Deputy City Manager to sign the petition and assessment ballot in support of the Downtown Merced Property Based Improvement District formation for all City-owned properties included within the PBID boundary.

Mayor SERRATTO pulled this item at the request of resident Gloria SANDOVAL.

Gloria SANDOVAL, Merced - spoke on public restrooms in Downtown Merced.

Council and Deputy City Manager Frank QUINTERO discussed past Council actions regarding public restrooms, the allocation of funds from the Property Based Improvement District (PBID), the function of the governance, the PBID scope of services, going out to bid with market-rate or prevailing wages, and the downtown maintenance.

**A motion was made by Council Member Smith, seconded by Council Member Boyle, that this agenda item be approved. The motion carried by the following vote:**

- Aye:** 4 - Mayor Serratto, Council Member Boyle, Council Member DeAnda, and Council Member Smith
- No:** 2 - Council Member Ornelas, and Council Member Xiong
- Absent:** 1 - Mayor Pro Tempore Perez

I.8.

**SUBJECT:** Authorization to Accept \$14,451,000 from the Federal Aviation Administration Coronavirus Air, Relief, and Economic Security Act Program for Use on the Merced Yosemite Regional Airport Terminal Replacement Project, Project Number CP230060

**REPORT IN BRIEF**

Considers authorizing the City Manager or Deputy City Manager to accept CARES Act Funding from the Federal Aviation Administration (FAA) for the Merced Yosemite Regional Airport Terminal project in the amount of \$14,451,000 (upon issuance by the Federal Aviation Administration.)

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**RECOMMENDATION**

**City Council** - Adopt a motion:

- A. Authorizing the City Manager or Deputy City Manager to accept CARES Act funding from the FAA for use on the Merced Yosemite Regional Airport Terminal Replacement Project; and,
- B. Authorizing the City Manager or Deputy City Manager to execute the necessary documentation; and,
- C. Directing staff to bring the FAA awarded grant to Council for appropriation.

Mayor SERRATTO pulled this item.

Council thanked city staff and federal partners for their work on this project.

**A motion was made by Council Member Smith, seconded by Council Member Boyle, that this agenda item be approved. The motion carried by the following vote:**

**Aye:** 6 - Mayor Serratto, Council Member Ornelas, Council Member Boyle, Council Member DeAnda, Council Member Smith, and Council Member Xiong

**No:** 0

**Absent:** 1 - Mayor Pro Tempore Perez

**J. REPORTS**

**J.1.**

**SUBJECT:** Review, Discussion and Direction Regarding Community Funding Requests, Water Rates, Parks and Community Services Program Fees, and of the City of Merced Fiscal Year 2023/24 Budget

**REPORT IN BRIEF**

Review of the Community Funding Requests, Discussion and Direction on Water Rates and Parks and Community Services Program Fees, and the City Manager's proposed FY 2023/24 Budget.

**RECOMMENDATION**

For information and discussion only.

City Manager Stephanie DIETZ gave opening comments on the proposed City Manager budget for fiscal year 2023/2024.

Finance Officer Venus RODRIGUEZ, Interim Police Chief Craig

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GUNDLACH, Fire Chief Derek PARKER, Parks and Community Services Director Chris JENSEN, Mrs. DIETZ, Deputy City Manager Frank QUINTERO, Director of Development Services Scott MCBRIDE, and Director of Public Works Ken ELWIN gave a slideshow presentation regarding city revenues, expenses, staffing levels, community funding requests, water rates, and other aspects of the City of Merced Fiscal Year 2023/2024 Budget.

Council, Mrs. RODRIGUEZ, and Mrs. DIETZ discussed details of the recommended staffing amounts, the revenue received from Measure C, allocation of funds for the South Merced project, Capital Improvement Projects (CIP) funding timeline, an update on the round-about study, and allocation of funds to the City Attorney department.

Rick WENDLING, Merced - spoke on water rates, unionized jobs, and potentially bringing revenue from the traffic cameras.

Kristynn SULLIVAN, Merced - spoke on the importance of the Parks and Recreation department in the community.

Ruby AWESOME, Merced - spoke on her family's experience with the Parks and Recreation department.

Teri VERDIN-JIMENEZ, Merced - asked Council to increase the funding for the Parks and Recreation department and spoke on the adult softball.

John DUPRE, Merced - shared details of the Restorative Justice League and asked Council to continue funding the program.

Andre GRIGGS, CEO of Restorative Justice League, Merced - spoke on the programs Restorative Justice League provides to the community.

Victoria GALVAN, Merced - spoke in support of the Parks and Recreation programs and benefits they have on the community's youth.

Carlisha HALL, Merced - spoke on how the Applegate Zoo has helped her mental health and the benefits the Parks and Recreation department has with the community's engagement and mental health.

Pangcha VANG, Merced - spoke on over funding the Police Department, the Fire Department's hiring process, and creating more parks in Merced.

Leilani LEWIS, Merced - spoke on building more parks and creating more safe places for the youth in the community.

Monika GRASLEY, Lifeline CDC, Merced - spoke on the importance of Parks and Recreation Department in the community and increasing funds in the budget.

Madeline HARRIS, Merced - urged Council not to fund the South Merced Industrial study, spoke in support of Senate Bill 244, first-time home buyers for farm workers, and requested more information on the Utility Relief fund.

Victoria ESPINOZA, Merced - asked for funding to be given to First Responders and programs for the community's youth.

**Clerk's Note:** Council took a recess at 8:44 PM and returned at 8:53 PM

Council, Mrs. RODRIGUEZ, Mrs. DIETZ, Mr. JENSEN, and Recreation Supervisor Lamguene KINDAVONG discussed whether or not to increase water rates, the Parks and Recreation department shortfall, details of increasing the parks and recreation fees, program rates, options for a general fund transfer, funding allocation for the consumer price index, Measure Y discretionary funds, and detailed options for the Applegate Zoo.

Council agreed to not increase water rates at this time, a general fund transfer for the Parks and Community Services department, increase of program revenues, and a transfer for Measure Y discretionary.

Council and Mrs. RODRIGUEZ continued to discuss budget direction for the General Fund, outreach for the High Speed Railway, creating a policy for a Right-to-Counsel, potentially allocating funds to Right-to-Counsel, and funding for community art.

Council agreed to direct staff to continue the fiscal year 2023/2024 budget as proposed.

**Clerk's Note:** There was no formal vote taken, item was for information only.

## K. BUSINESS

K.1. **SUBJECT:** Council Member Ornelas' Housing Trust Policy

**REPORT IN BRIEF**

Council Member Ornelas' Housing Trust Policy.

**RECOMMENDATION**

Provide direction to staff on next steps.

Council Member ORNELAS briefly shared details of the Housing Trust Policy.

Council, City Manager Stephanie DIETZ, Finance Officer Venus RODRIGUEZ, and Director of Development Services Scott MCBRIDE discussed details of calculating funds for multiple programs, policy direction, steps to adopt the policy, start date, and details of the Prohousing program.

Madeline HARRIS, Merced - spoke in support of the Housing Trust Policy and asked Council to show assurance of available funding for the policy.

Council, Mr. MCBRIDE, Mrs. DIETZ discussed the allocation of funds to the policy, details of sections within the policy, whether or not to have Additional Dwelling Units (ADUs), and Council Member XIONG's proposed changes to the policy.

**A motion was made by Council Member Ornelas, seconded by Council Member Smith, to allocate 50% from the Trust 115, 30% from the Affordable Housing Fund, 20% from the Economic Development Opportunity to the Housing Trust Fund, a \$5 million cap, starting on Fiscal Year 2023/2024, and adopting the policy as proposed. The motion carried by the following vote:**

**Aye:** 6 - Mayor Serratto, Council Member Ornelas, Council Member Boyle, Council Member DeAnda, Council Member Smith, and Council Member Xiong

**No:** 0

**Absent:** 1 - Mayor Pro Tempore Perez

**K.2.**

**SUBJECT:** Council Member Boyle's Request for Council to Consider Providing City Funding for a Designated Slot as a Member of the Great Valley American Leadership Forum (ALF) Chapter Annually

**REPORT IN BRIEF**

Council Member Boyle's request to consider providing City funding for a designated slot as a member of the Great Valley American Leadership Forum (ALF) Chapter annually.

**RECOMMENDATION**

Provide direction to staff on next steps.

Council Member BOYLE discussed the request for Council to consider providing city funding for a designated slot as a member of the Great Valley American Leadership Forum (ALF) Chapter annually.

Council and City Manager Stephanie DIETZ discussed the ALF program, the usage of City funding, benefits to Council, the travel fund account, Council's attendance to other conferences, details of a payment plan, and continuing the matter.

Council agreed to continue this item and bring it back at a later Council meeting.

**K.3.**

**SUBJECT:** Request to Add Item to Future Agenda

**REPORT IN BRIEF**

Provides members of the City Council to request that an item be placed on a future City Council agenda for initial consideration by the City Council.

**Clerk's Note:** Council Member ORNELAS stepped out and City Manager Stephanie DIETZ requested to allow Council Member ORNELAS to request to postpone his items during Agenda Item K.4.

**K.4.**

**SUBJECT:** City Council Comments

**REPORT IN BRIEF**

Provides an opportunity for the Mayor and/or Council Member(s) to make a brief announcement on any activity(ies) she/he has attended on behalf of the City and to make a brief announcement on future community events and/or activities. The Brown Act does not allow discussion or action by the legislative body under this section.

Council Member DEANDA reported on attending the Breakfast Lions Fundraiser event, the ground breaking event at Joe Stefanie Elementary School for a new health care clinic, and the Hispanic Chamber of Commerce mixer event.

**Clerk's Note:** Council Member ORNELAS heard Agenda Item K.3. and K.4. at the same time.

Agenda Item K.3.: Council Member ORNELAS requested to postpone the Block Party Trailer item and the Community Citizenship item from the June 5, 2023 Council meeting to the June 20, 2023 Council meeting.

Agenda Item K.4.: Council Member ORNELAS reported on attending the Graduation for Merced County Juvenile Hall and the Gala event. He stated he will be attending the Fireman's Ball and community boxing matches.

## L. ADJOURNMENT

**Clerk's Note:** The Regular Meeting was adjourned at 10:20 PM.

**A motion was made by Council Member Boyle, seconded by Council Member Ornelas, that this Regular Meeting be adjourned in the honor of the former Mayor of Merced Elle Wooten. The motion carried by the following vote:**

**Aye:** 6 - Mayor Serratto, Council Member Ornelas, Council Member Boyle, Council Member DeAnda, Council Member Smith, and Council Member Xiong

**No:** 0

**Absent:** 1 - Mayor Pro Tempore Perez