



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

Tuesday, January 2, 2018

6:00 PM

A. CLOSED SESSION ROLL CALL

Present: 5 - Council Member Michael Belluomini, Council Member Anthony Martinez, Council Member Joshua Pedrozo, Mayor Mike Murphy, and Council Member Kevin Blake
Absent: 2 - Mayor Pro Tempore Jill McLeod, and Council Member Matthew Serratto

B. CLOSED SESSION

Mayor MURPHY called the Closed Session to order at 5:03 PM.

Clerk's Note: Council Member SERRATTO arrived to the Closed Session at 5:08 PM.

Clerk's Note: Mayor Pro Tempore MCLEOD arrived to the Closed Session at 5:21 PM.

- B.1.** **SUBJECT:** CONFERENCE WITH REAL PROPERTY NEGOTIATORS - Property: 725 West 18th Street, Merced, CA; Agency Negotiator: Frank Quintero, Director, Economic Development; Negotiating Parties: City of Merced and Fluetsch and Busby Insurance; Under Negotiation: Price and Terms of Payment.
- B.2.** **SUBJECT:** PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Title: City Manager; Authority: Government Code Section 54957
- B.3.** **SUBJECT:** CONFERENCE WITH LABOR NEGOTIATORS -- Agency Designated Representative: City Manager Steve Carrigan; Employee Organization: American Federation of State, County, and Municipal Employees (AFSCME) Council 57; Local 2703; International Association of Fire Fighters, Local 1479; Merced Association of City Employees (MACE). AUTHORITY: Government Code Section 54957.6
- B.4.** **SUBJECT:** CONFERENCE WITH LABOR NEGOTIATORS -- Agency Designated Representative: City Manager Steve Carrigan; Unrepresented Management AUTHORITY: Government Code Section 54957.6

Clerk's Note: Council adjourned from Closed Session at 5:59 PM.

C. CALL TO ORDER

Mayor MURPHY called the Regular Meeting to order at 6:06 PM.

C.1. Invocation - Al Schaap, Gateway Church

The invocation was delivered by Al SCHAAP from Gateway Church.

C.2. Pledge Allegiance to the Flag

Council Member MARTINEZ led the Pledge of Allegiance to the Flag.

D. ROLL CALL

Present: 7 - Council Member Michael Belluomini, Council Member Anthony Martinez, Mayor Pro Tempore Jill McLeod, Council Member Joshua Pedrozo, Council Member Matthew Serratto, Mayor Mike Murphy, and Council Member Kevin Blake

Absent: 0

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 \$20.00 by Charter for sitting as the City Council; and the Mayor receives an additional \$50.00 each month as a part of the adopted budget and Resolution 1975-37. 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. WRITTEN PETITIONS AND COMMUNICATIONS

The Clerk's Office received a letter from Zach DRIVON for an item listed on the agenda and placed it on the dais.

G. ORAL COMMUNICATIONS

There were no speakers.

H. CONSENT CALENDAR

Items H.7. Supplemental Appropriation from the Refuse Unappropriated, Unreserved Fund Balance and Award a Contract to Alliance Refuse Trucks, Inc., for the Refurbishment of Two Refuse Trucks, H.12. Approve Amendment to Professional Services Agreement to Draft Public Facilities Ballot Measure and Approve Related Budget Transfer, and H.13. Supplemental Appropriation to the Economic Development Opportunity Fund (074) for Consultant Services Relative to the High Speed Rail Heavy

Maintenance Facility were pulled for separate consideration.

Approval of the Consent Agenda

A motion was made by Council Member Pedrozo, seconded by Mayor Pro Tempore Blake, to approve the Consent Agenda. The motion carried by the following vote:

Aye: 7 - Council Member Belluomini, Council Member Martinez, Mayor Pro Tempore McLeod, Council Member Pedrozo, Council Member Serratto, Mayor Murphy, and Council Member Blake

No: 0

Absent: 0

H.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.

H.2. SUBJECT: Information-Only Contracts

REPORT IN BRIEF

Notification of awarded Non-Public Works contracts under \$30,000 and of Public Works contracts under \$67,779.

AUTHORITY

Pursuant to the authority delegated to the City Manager on behalf of the City by Article XI, Section 1109, of the Merced City Charter to execute Public Works contracts under the adjusted FY 2017-2018 threshold of \$67,779.00, and Chapter 3.04.080 - 3.04.110 of the Merced Municipal Code to execute Non-Public Works contracts under the adjusted FY 2017-2018 threshold of \$30,000.00, the contracts listed on the attached table were entered into by the City.

This Consent Item was approved.

H.3. SUBJECT: Information Only - Site Plan Review Committee Minutes

of November 16, 2017

RECOMMENDATION

For information only.

This Consent Item was approved.

H.4.

SUBJECT: Information Only - Planning Commission Minutes of
November 8, 2017

RECOMMENDATION

For information only.

This Consent Item was approved.

H.5.

SUBJECT: Information Only - Bicycle Advisory Commission
Minutes of October 24, 2017

RECOMMENDATION

For information only.

This Consent Item was approved.

H.6.

SUBJECT: City Council/Public Financing and Economic
Development/Parking Authority Meeting Minutes of November 20,
2017 and December 4, 2017

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 November 20, 2017 and December 4, 2017.

This Consent Item was approved.

H.8.

SUBJECT: Amendment to Agreement for Software Licensing with
Superion, LLC (Formerly Sungard Public Sector) to Add Software
Programming to the Alignment on Payroll Checks

REPORT IN BRIEF

Consider approving an Amendment for Software Licensing with
Superion, LLC to add software programming to modify the alignment

on payroll checks.

RECOMMENDATION

City Council - Adopt a motion approving Amendment No. 11 to the Software Licensing Agreement with Superion, LLC for \$800 so that programming can be performed to allow printing of payroll checks on the new, more secure check stock; and, authorizing the City Manager or Assistant City Manager to execute the necessary documents.

This Consent Item was approved.

H.9.

SUBJECT: Agreement with Merced Zoological Society

REPORT IN BRIEF

Annual agreement with Merced Zoological Society to contribute at least \$75,000 of the total operating budget for Fiscal Year 2017/2018.

RECOMMENDATION

City Council - Adopt a motion approving the agreement with the Merced Zoological Society for payment of at least \$75,000 (approximately 28%) of the total operating budget at the Zoo and authorizing the City Manager or Assistant City Manager to execute the necessary documents.

This Consent Item was approved.

H.10.

SUBJECT: Approval of Street Closure for the Annual Martin Luther King Jr. Community March and Celebration

REPORT IN BRIEF

Authorizes the use and closure of Martin Luther King Jr. Way from West 8th Street to West Main Street and a portion of the City parking lot in the 300 block of W. 18th Street on Monday, January 15, 2018 to hold a march, parade and food preparation for the annual Martin Luther King, Jr. parade, march and celebration.

RECOMMENDATION

City Council - Adopt a motion approving the request by Tamara Cobb and the Martin Luther King Jr. Celebration Committee to close Martin Luther King Jr. Way from West 8th Street to West Main Street and to cone off a portion of the City parking lot in the 300 block of W. 18th Street on Monday, January 15, 2018, in order to hold the march and

prepare food as part of a community celebration.

This Consent Item was approved.

H.11.

SUBJECT: First Amendment to Professional Services Agreement with SCI Consulting to Assist with the Preparation of the Cannabis Tax Measure

REPORT IN BRIEF

The City Council will consider approving an amendment to a professional services agreement with SCI Consulting to assist with the preparation of the Cannabis Tax Measure in the amount of \$26,750.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving the First Amendment to Agreement for Professional Services with SCI Consulting in the amount of \$26,750; and,

B. Approving a supplemental appropriation from General Fund unreserved fund balance in the amount of \$26,750, transferring to Development Service Fund (017) and appropriating the same to account 017-0804-512-17-00 Professional Services.

C. Authorizing the City Manager or Assistant City Manager to sign the necessary documents.

This Consent Item was approved.

H.14.

SUBJECT: Notice of Vacancy - Recreation and Parks Commission

REPORT IN BRIEF

Requests direction for filling a vacancy on the Recreation and Parks Commission.

RECOMMENDATION

City Council - Adopt a motion directing staff to notice a vacancy on the Recreation and Parks Commission due to the vacancy created by the resignation of Corrine Chavez and to seek applicants for the position with an application deadline of February 1, 2018.

This Consent Item was approved.

H.15.

SUBJECT: Second Reading of Ordinance for the Reauthorization of

State Franchise Holder PEG Fee

REPORT IN BRIEF

Second reading of previously introduced ordinance.

RECOMMENDATION

City Council - Adopt a motion adopting **Ordinance 2483**, an Ordinance of the City Council of the City of Merced, California, Amending Section 30.50.010, "Fee for Support of Local Cable Usage," of the Merced Municipal Code.

This Consent Item was approved.

H.16.

SUBJECT: Second Reading of Ordinance Amending Chapter 8.28 of the Merced Municipal Code Pertaining to Burglar Alarm Systems and False Alarms

REPORT IN BRIEF

Second reading of previously introduced ordinance.

RECOMMENDATION

City Council - Adopt a motion adopting **Ordinance No. 2484**, an Ordinance of the City Council of the City of Merced, California, adding chapter 8.28, "Burglar Alarm Systems and False Alarms," to the Merced Municipal Code.

This Consent Item was approved.

H.7.

SUBJECT: Supplemental Appropriation from the Refuse Unappropriated, Unreserved Fund Balance and Award a Contract to Alliance Refuse Trucks, Inc., for the Refurbishment of Two Refuse Trucks

REPORT IN BRIEF

Considers approving a supplemental appropriation from the refuse unappropriated, unreserved fund balance and awarding a contract to Alliance Refuse Trucks to refurbish one front-loading and one side-loading garbage truck.

RECOMMENDATION

City Council - Adopt a motion:

A. Appropriating from Fund 558-Refuse Unappropriated, Unreserved Fund Balance in the amount of \$336,330 for the refurbishment of two refuse trucks, and;

B. Awarding a contract to Alliance Refuse Trucks, Inc., in the amount of \$295,900 to refurbish one front loading and one side loading garbage truck; and,

C. Authorizing the City Manager or Assistant City Manager to execute the necessary documents and the Interim Finance Officer to make the necessary budget adjustments.

Council Member SERRATTO pulled this item to ask about the quality of the refurbished vehicles.

Director of Public Works Ken ELWIN stated that the refurbished vehicles are similar to brand new vehicles.

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

Aye: 7 - Council Member Belluomini, Council Member Martinez, Mayor Pro Tempore McLeod, Council Member Pedrozo, Council Member Serratto, Mayor Murphy, and Council Member Blake

No: 0

Absent: 0

H.12.

SUBJECT: Approve Amendment to Professional Services Agreement to Draft Public Facilities Ballot Measure and Approve Related Budget Transfer

REPORT IN BRIEF

Consider approving an Amendment to the Service Agreement to the Public Opinion Survey contract to continue to draft the Public Facilities Ballot Measure language and approving the necessary budget transfers from the Public Facilities Financing Fees - Police of \$70,500.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving an Amendment to the Service Agreement to the Public Opinion Survey contract to continue to draft Ballot Measure language, and

B. Approving transfers from Public Facilities Financing Fees - Police in the amount of \$35,250 from Fund 047, and \$35,250 from Fund 057 to Fund 449 Public Safety CIP, and appropriating the same amount to Project #116040 New Police Headquarters.

Mayor MURPHY pulled this item to state his opposition to renewing the contract. He stated his concern with the company not meeting the requested deadline of the survey.

Council and Staff discussed continuing this item and how it could affect the timeline for a ballot measure.

City Manager Steve CARRIGAN stated that continuing this item or switching consultants would present additional challenges to meet the election timelines.

Mayor MURPHY made a motion to disapprove the contract.

Clerk's Note: The motion failed due to a lack of a second.

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

Aye: 6 - Council Member Belluomini, Council Member Martinez, Mayor Pro Tempore McLeod, Council Member Pedrozo, Council Member Serratto, and Council Member Blake

No: 1 - Mayor Murphy

Absent: 0

H.13.

SUBJECT: Supplemental Appropriation to the Economic Development Opportunity Fund (074) for Consultant Services Relative to the High Speed Rail Heavy Maintenance Facility

REPORT IN BRIEF

Requesting a supplemental appropriation in the amount of \$140,000 from the Economic Development Fund (074) to facilitate consultant services pertaining to the High Speed Rail Heavy Maintenance Facility.

RECOMMENDATION:

City Council - Adopt a Motion:

A. Approving a supplemental appropriation in the amount of \$140,000 from the unreserved fund balance in Fund 074 Economic Development Opportunity Fund; and,

B. Approving the Professional Services Agreement with California Strategies and Advocacy, LLC, in the amount of \$120,000.00; and,

C. Approving the Professional Services Agreement with Chabin Concepts, Inc. in the amount of \$15,000.00; and,

D. Approving a contingency of \$5,000.00 for travel, meetings, technical support, etc.; and,

E. Authorizing the City Manager or Assistant City Manager to execute the necessary documents.

Council Member BELLUOMINI pulled this item to ask about the location of the site and addressing the shortcomings of the site.

Director of Economic Development Frank QUINTERO explained the uniqueness of the location for the heavy industrial site. He also stated that both contractors will address the shortcomings of the site and propose mitigation measures.

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

Aye: 7 - Council Member Belluomini, Council Member Martinez, Mayor Pro Tempore McLeod, Council Member Pedrozo, Council Member Serratto, Mayor Murphy, and Council Member Blake

No: 0

Absent: 0

I. REPORTS

I.1. **SUBJECT: Community Input Presentation by Housing Staff**

REPORT IN BRIEF

Provide Housing Staff with input regarding the 2018 HUD Annual Action Plan.

Housing Supervisor Mark HAMILTON gave a slide show presentation on Community Input.

Council and Staff discussed increasing the number of units to house the homeless, the budget impact on housing programs, the process of allocating money to applicants, and the census tract requirements.

I.2.**SUBJECT: Status Report Regarding the City-Owned Property in the
Airport Industrial Park**

REPORT IN BRIEF

Oral update concerning the 66-acres owned by the City in the Airport Industrial Park.

RECOMMENDATION

Information-Only

Director of Economic Development Frank QUINTERO gave a presentation on the City-owned property in the Airport Industrial Park.

Council Member BELLUOMINI asked about land development progress and the timeline on signing contracts.

Mr. QUINTERO discussed partnering with a company on an industrial project. He also stated that the signing of the contract depends on the developer.

Clerk's Note: No action was required for this item.

I.3.**SUBJECT: Adoption of Merit-Based Selection Criteria for Commercial
Cannabis Business Permits (Limited Number of Permits Available)**

REPORT IN BRIEF

The City Council is being asked to adopt, by resolution, the Merit-Based Selection Criteria for Commercial Cannabis Business Permits for which there are a limited number of permits available. Dispensaries/retail sales are limited to four in the recently adopted Ordinance.

RECOMMENDATION

City Council - Adopt a motion adopting **Resolution 2018-01**, a Resolution of the City Council of the City of Merced, California, approving Merit-Based Selection Criteria for Scoring Commercial Cannabis Business Permit Applications for which there are a limited number of permits available.

Planning Manager Kim ESPINOSA gave a slide show presentation on the Merit-Based Selection Criteria for Commercial Cannabis Business Permits.

Council and Staff discussed determining the Mutual Benefit Non-Profit

Corporation and various sections of the merit-based selection criteria.

Judy VEILLEUX, Merced - spoke on the Facility Plan.

Zach DRIVON, Stockton - spoke on his concerns regarding the merit-based selection criteria.

Jesse KRAFT, Sonora - gave suggestions for the merit-based selection criteria.

Mike WARDA, Merced - gave suggestions for the merit-based selection criteria.

Ron ROBERTS, Oakdale - gave suggestions for the merit-based selection criteria.

Council suggested revisions for various sections of the merit-based selection criteria.

Clerk's Note: Staff stated that they will bring this item back with the revisions to the January 16th City Council meeting for adoption.

Clerk's Note: Mayor Pro Tempore MCLEOD left the meeting at 9:05 PM.

I.4.

SUBJECT: Reallocate Measure V Funding, Reconciling Gas Tax Funding, to Fund 022 Street Maintenance/Lighting for the FY 2017/2018 Budget

REPORT IN BRIEF

Considers reallocating Measure V funding, reconciling Gas Tax funding to Fund 022 Street Maintenance/Lighting Fund for street maintenance and transportation related projects.

RECOMMENDATION

City Council - Adopt a motion approving the reallocation of Measure V Funds, reconciling the Gas Tax Funds, and authorizing the Interim Finance Officer to make the necessary budget adjustments.

Interim Finance Officer gave a brief presentation on the reallocation of Measure V Funding.

Mayor MURPHY asked about the timeliness of repairing potholes.

Director of Public Works Ken ELWIN stated that they strive to fix potholes in a timely manner.

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

Aye: 6 - Council Member Belluomini, Council Member Martinez, Council Member Pedrozo, Council Member Serratto, Mayor Murphy, and Council Member Blake

No: 0

Absent: 1 - Mayor Pro Tempore McLeod

J. BUSINESS

J.1. Request to Add Item to Future Agenda

Council Member BELLUOMINI requested to add an item for a presentation on State Funding for Low Cost House Funding in 90 days, and asked about updating the seating arrangement.

J.2. City Council Comments

Council Member MARTINEZ spoke on an article about his mom and about the opening of a new restaurant.

Council Member PEDROZO reported on attending the Rose Garden Meeting. He also wished everyone a Happy New Year.

Council Member BELLUOMINI reported on attending the Rose Garden Meeting and the Annual Homeless Memorial. He also wished everyone a Happy New Year.

Council Member BLAKE congratulated Interim Police Chief Chris Goodwin on his new position.

K. ADJOURNMENT

Clerk's Note: The Regular Meeting was adjourned at 9:19 PM.

A motion was made by Council Member Pedrozo, seconded by Council Member Blake, to adjourn the Regular Meeting. The motion carried by the following vote:

Aye: 6 - Council Member Belluomini, Council Member Martinez, Council Member Pedrozo, Council Member Serratto, Mayor Murphy, and Council Member Blake

No: 0

Absent: 1 - Mayor Pro Tempore McLeod