



CITY OF MERCED

MERCED

November 17, 2025

Parcel #

Name

Address

City/Zip

Dear Property Owner:

The Merced City Council at its regularly scheduled meeting held on Monday, November 3, 2025, authorized an assessment ballot proceeding to obtain voter approval prior to increasing annual benefit assessment levies to the Maintenance District property owners.

Your property located at **Address**, is in a Special Assessment Maintenance District managed by the City. This District is responsible for storm pump maintenance and operation. However, in your neighborhood this is not happening in an acceptable way.

The reason this maintenance is not happening in your neighborhood is because it is the District that pays for the maintenance. The District uses special assessment fees that are paid by you and your neighbors. The assessment fees collected are not enough to pay for the cost of maintenance.

The City Council wants to make sure that your storm pump is well maintained. In order to raise enough money to adequately maintain these items in your neighborhood, the homeowners in the District will have to vote to increase their special assessments.

Therefore, the City Council has authorized an election ballot (enclosed) for you to vote whether you want to increase your special assessments for your storm pump maintenance. These special assessment fees are collected with your property taxes as more fully explained in this letter.

State law requires you have an opportunity to vote on proposed increases to your assessment prior to them becoming effective.

Your assessment is collected in two equal installments and is included with your tax bill. Funds collected through this assessment and any interest earned can only be used for this specified purpose and are kept in a separate fund account.

Currently, you are being levied an assessment of **Amount** annually. We are proposing to increase your annual assessment to **Amount**. This equates to an annual increase of **Amount** or **Amount** monthly.

ATTACHMENT 2

The proposed budget and engineer's report has been prepared to determine your proportionate share of the annual costs associated with maintaining the District at acceptable service levels. The total budget has been spread on a per unit basis. An engineer's report is available at the City of Merced, City Clerk's office for your review describing the calculation used.

Your legal notice, ballot, and a postage-paid return envelope are enclosed. You may return your ballot in the enclosed envelope or hand deliver it to the City Clerk's Office in the Merced Civic Center, located at:

**678 W. 18th Street
1st Floor
Merced, CA 95340**

All ballots must be received (not postmarked) by the close of the public hearing scheduled for Tuesday, January 20, 2026. The public hearing will be held in conjunction with the normally scheduled Merced City Council meeting, held in the Council Chambers, which begin at 6:00 p.m.

If the ballot passes, the adjusted rate will appear on your next Merced County tax bill. If it fails, there would be insufficient funds available to cover costs associated with maintaining the existing public improvements.

The weight of the vote is proportional to the District assessment dollar amount. For example, a property with an annual assessment of \$100.00, carries twice the weight of a property with an annual assessment of \$50.00.

Your annual assessment may increase or decrease in future years, if operating costs change. In any event, assessment increases are limited annually to the maximum assessment amount (shown in the ballot document), adjusted by the Consumer Price Index (CPI). The CPI is a scale used to adjust costs for inflation. **Any increase above the CPI adjusted maximum level, would require a new ballot for your approval.**

Only the ballots returned determine the outcome of the election. A non-response will not count for purposes of voter acceptance or opposition. Whether you are in favor of or in opposition to the increase in assessments, it is important for you to vote.

Sincerely,

Ken F. Elwin, PE
Director of Public Works

Enclosures: *Notice of Proposed Assessment, District Map, Ballot, Postage-Paid Return Envelope*

**CITY OF MERCED
CITY COUNCIL
PUBLIC HEARING**

**Tuesday
January 20, 2026
at 6:00 PM**

City Council Chambers
678 W. 18th St, 2nd Floor
Merced, CA 95340

CITY COUNCIL

MAYOR

Matthew Serratto

MAYOR PRO TEMPORE

Sarah Boyle

COUNCIL MEMBERS

Ronnie De Anda
Darin Dupont
Mike Harris
Shane Smith
Fue Xiong

CITY OFFICIALS

CITY MANAGER

Scott McBride

DEPUTY CITY MANAGER

Frank Quintero

CITY ATTORNEY

Craig J. Cornwell

ASSISTANT CITY CLERK

Jennifer Parsley

**PUBLIC WORKS
DIRECTOR**

Ken Elwin, PE

CITY OF MERCED

**Notice of Proposed Assessment and
Assessment Ballot Proceeding for
_____ Maintenance District**

REASON FOR PROPOSED ASSESSMENT

An increase to the District assessment is needed due to increased costs in energy and services, specifically storm pump maintenance, the cost of operating the District has drastically increased. In past years operating reserves were used to make up for the shortfall of revenue; however, these funds are now insufficient.

DESCRIPTION OF IMPROVEMENTS

The _____ Maintenance District ("District") was formed in ____ for the purpose of paying the costs to maintain public improvements in the District boundary, including storm drainage facilities. The District shall not fund the maintenance of additional items that may be placed or planted by individual lot owners such as, but not limited to, lawns, private sprinklers, front yard trees or bushes.

The District assessments are used to fund the maintenance of the storm drain pump within the District's boundary, including:

- Storm pump inspection, maintenance, repair;
- Other maintenance as necessary, including equipment, devices, and other items and efforts recommended.

AMOUNT OF PROPOSED ASSESSMENT

➤ Total Current District Assessment: **(Amount)**

The proposed total annual assessment for the entire District for Fiscal Year 2026/2027 is **(Amount)**. Subsequent assessments could be adjusted annually by the Consumer Price Index for All Urban Consumers (West).

➤ Individual Parcel Assessment: **(Amount)**

The proposed annual assessment for your parcel for Fiscal Year 2026/2027 will be **(Amount) per unit**. The maximum annual assessment ("cap") for your parcel could be adjusted annually, but not to exceed the increase in the Consumer Price Index for All Urban Consumers (West).

➤ Duration of Assessment

The proposed assessment will be levied annually up to the maximum as stated above. The assessment may be increased in the future above the maximum amount, ONLY with the support of a majority of property owners using the process explained below.

BASIS FOR CALCULATING ASSESSMENTS

Each year the City determines how much it will cost to operate and maintain the specified improvements within the District. These costs are then spread to all of the assessable parcels on a per unit basis. An engineers' report is available in the office of the City Clerk for review that fully describes this calculation.

PROCEDURES FOR COMPLETING THE BALLOT

Accompanying this notice is a ballot, along with a self-addressed, postage paid return envelope. The ballot (or a facsimile thereof) may be completed by the property owner(s) of record and returned to the City to indicate the owner's support of or opposition to the proposed assessment. If a tenant is responsible for payment of the assessment, the ballot must be completed and returned by the tenant.

For your ballot to be counted, you must clearly mark the appropriate box, sign the ballot, and return it sealed in the enclosed envelope by the conclusion of the public hearing on **Tuesday, January 20, 2026**.

Ballots may be returned either by mail or delivered to the City Clerk at 678 West 18th Street, Merced, CA 95340, before the close of the public hearing. For properties with more than one owner on record, ballots will be accepted as valid if signed by at least one of the listed owners.

In the event that more than one of the record owners submits an assessment ballot, the amount of the proposed assessment to be imposed upon the parcel shall be allocated to each ballot submitted in proportion to the respective record ownership interests or, if the ownership interests are not shown on the record, as established to the satisfaction of the City by documentation provided by you.

Regardless of the method of delivery, all ballots must be received at the address indicated, or at the public hearing, in order to be included. An assessment ballot may be submitted, changed, or withdrawn prior to the conclusion of the public hearing.

PUBLIC HEARING AND PROTEST PROCEDURE

The Merced City Council will hold a public hearing on **Tuesday, January 20, 2026**, to hear testimony regarding the proposed assessment, to accept assessment ballots and to determine whether there is a majority protest against the proposed assessment. The hearing will be held in conjunction with the normally scheduled Merced City Council meeting, which begin at **6:00 p.m.** The meeting (and hearing) will be held at the Civic Center located at 678 West 18th Street in Merced.

All ballots returned to the City will be tabulated and weighted according to the proportional financial obligation of the affected property. If the City Council determines that a majority of the ballots cast and as weighted according to the proportional financial obligation of the affected properties oppose imposition of the assessment, the proposed assessment will not be imposed. Instead, the previously approved assessment of (**Amount**) (per residential unit) will continue.

QUESTIONS REGARDING THESE PROCEEDINGS

If you have questions about the proposed assessment or this process, please contact Jeff Frederick, Public Works Manager-Tax Services at (209) 385-6800.

Q & A

QUESTIONS AND ANSWERS FOR PROPERTY OWNERS

What types of improvements/services will be provided if the proposed assessment increase is approved?

The proposed assessment increase includes necessary repairs and regular maintenance for the storm pump station, as well as adding weed abatement for the district landscape area.

What happens if the proposed assessment increase is not approved?

There would be insufficient funds to cover the costs of operating the District. This could result in District maintenance not being performed to an acceptable level.

How do I vote?

For your ballot to be counted, you must clearly mark the appropriate box, sign the ballot, and return your ballot in the enclosed envelope or bring it to the City Clerk's Office in the Merced Civic Center. All ballots must be received (not postmarked) by the close of the public hearing scheduled for Tuesday, January 20, 2026. The public hearing will be held in conjunction with the normally scheduled City Council meeting which begins at 6:00 p.m.

What if I don't return my ballot?

The outcome of the election is determined only by the ballots returned.

When will ballots be counted?

A Public Hearing will be held on January 20, 2026, in the City Council Chambers to receive testimony and formally accept the ballots. The ballots will be counted at 8:00 AM the following day at the Sam Pipes Conference Room, located at the Merced Civic Center, 678 West 18th Street.

Do all property owners' votes count equally?

No, the weight of the vote is proportional to the amount of the assessment. For example, a property with a \$20 annual assessment carries twice the weight of a property with a \$10 annual assessment.

What determines a majority protest?

A majority of the ballots cast, as weighted according to the proportional financial obligation of the affected properties described above, voting to oppose the imposition of the assessment will result in a majority protest.

When will we know the results?

The results of the ballot tabulation are expected to be reported to the City Council at their February 2, 2026 meeting.

If approved, will my assessment increase annually?

Your assessment will only increase if operating costs increase. Assessment increases are limited annually to the current amount adjusted by the Consumer Price Index (CPI). The CPI is a scale used to adjust costs for inflation. Any increase above this would require a separate ballot for your consideration.

What are the accountability measures?

All funds generated from the District assessments are deposited into a separate fund that can be spent only to maintain the public improvements within the Maintenance District. An annual Engineer's report and budget are available upon request.

Who do I call with questions?

Please refer your questions to Jeff Frederick, Public Works Manager-Tax Services at (209) 385-6800.

ASSESSMENT BALLOT

CITY OF MERCED

 Maintenance District

RECORD OWNER BALLOT-ASSESSMENT BALLOT PROCEEDING

Shall the annual assessment for **(Amount)** be set as proposed?

☐ **YES**

☐ **NO**

Property Owner Name(s): **(Name)**

Property Address or Description: **(Address)**

Assessor Parcel Number: **(Parcel Number)**

I hereby certify under penalty of perjury that I am the legal property owner and/or person entitled to execute this ballot for the property shown above in assessment ballot proceedings.

Dated: _____

Signature

Printed Name

Once you have voted, please sign the ballot, place it in the enclosed pre-paid, self-addressed return envelope. The sealed envelope may be mailed or delivered to the City Clerk's office at the Merced Civic Center, located at 678 West 18th Street, Merced, CA or may be delivered at the public hearing. Your ballot will not be counted if you have not voted, signed the ballot and returned the envelope. All ballots must be received by the conclusion of the City Council's public hearing to be held on Tuesday, January 20, 2026, starting at 6:00 p.m. at the Merced Civic Center, located at the above address. You may submit a change or withdrawal of your vote prior to the conclusion of the public hearing. You may contact the City Clerk at the above address or at the public hearing if you desire to do so.