



# 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

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Monday, December 2, 2019

6:00 PM

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#### A. CALL TO ORDER

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

A.1. Invocation - Joel Dorman, First Baptist Church

The invocation was delivered by Joel DORMAN from First Baptist Church.

A.2. Pledge of Allegiance to the Flag

City Manager Steve CARRIGAN led the Pledge of Allegiance to the Flag.

#### B. ROLL CALL

**Present:** 7 - Mayor Pro Tempore Anthony Martinez, Mayor Mike Murphy, Council Member Kevin Blake, Council Member Jill McLeod, Council Member Matthew Serratto, Council Member Delray Shelton, and Council Member Fernando Echevarria

**Absent:** 0

B.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.

#### C. WRITTEN PETITIONS AND COMMUNICATIONS

There were none.

#### D. ORAL COMMUNICATIONS

Jesse FLORES, Merced - spoke on pedestrian safety and other issues in the City.

Theo CROUCH and Julian KELLY, Merced - spoke on their Mighty Minds Organization.

#### E. CONSENT CALENDAR

Item E.11. Second Reading and Final Adoption of Ordinance to Revise Park Hours and Amending Section 14.04.070 - Hours - Permits to Reflect Approved New Park Hours was pulled for separate consideration.

### Approval of the Consent Agenda

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

**Aye:** 7 - Mayor Pro Tempore Martinez, Mayor Murphy, Council Member Blake, Council Member McLeod, Council Member Serratto, Council Member Shelton, and Council Member Echevarria

**No:** 0

**Absent:** 0

**E.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.**

**E.2.                    SUBJECT: Information-Only Contracts for the Month of November 2019**

**REPORT IN BRIEF**

Notification of awarded Non-Public Works contracts under \$32,000 and of Public Works contracts under \$70,939.

**This Consent Item was approved.**

**E.3.                    SUBJECT: Information Only - Planning Commission Meeting Minutes of October 9, 2019**

**RECOMMENDATION**

For information only.

**This Consent Item was approved.**

- E.4.** **SUBJECT:** Approval of City Council/Public Financing and Economic Development/Parking Authority Meeting Minutes of November 4, 2019

**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 4, 2019.

**This Consent Item was approved.**

- E.5.** **SUBJECT:** Approval of Professional Services Agreement with Quad Knopf in the Amount of \$96,991 for the Preparation of the Comprehensive Sign Ordinance Update

**REPORT IN BRIEF**

Consider approving a professional services agreement with Quad Knopf in the amount of \$96,991 for the preparation of the Comprehensive Sign Ordinance Update.

**RECOMMENDATION**

**City Council** - Adopt a motion approving a professional services agreement with Quad Knopf (DBA "QK") in the amount of \$96,991 for the preparation of the Comprehensive Sign Ordinance Update and authorizing the City Manager or the Assistant City Manager to execute the documents.

**This Consent Item was approved.**

- E.6.** **SUBJECT:** Approval of Lease Agreement Between the City of Merced and Westamerica Bank for 6,100 Square-Foot Located at 1801 M Street Starting at \$1.25 Per Square Foot for Three (3) Years and an Option for a Three (3) Year Extension

**REPORT IN BRIEF**

Considers a lease agreement between the City of Merced and Westamerica Bank, located at the Merced Center Parking Garage (1801 M Street) for three (3)years and one (1) option for a three (3)year extension.

**RECOMMENDATION**

**City Council** - Adopt a motion approving the lease agreement between the City of Merced and Westamerica Bank and authorizing the City Manager or the Assistant City Manager to execute the necessary documents.

**This Consent Item was approved.**

**E.7.**

**SUBJECT:** Approval of Professional Services Agreement with Stantec Consulting Services, Inc., in the Amount of \$100,356 for Wastewater Collection System Hydraulic Model Conversion and Update, Flow Data Analysis/Input, Model Recalibration and South Trunk Sewer Service Alternatives Analysis, and Waive of Competitive Bidding Requirements

**REPORT IN BRIEF**

Considers waiving the competitive bidding requirements pursuant to Merced Municipal Code Section 3.04.210 for Professional Services, and approving an agreement with Stantec Consulting Services, Inc., in the amount of \$100,356, for wastewater collection system hydraulic model conversion and update, flow data analysis/Input, model recalibration and south trunk sewer service alternatives analysis.

**RECOMMENDATION**

**City Council** - Adopt a motion:

A. Waving City's competitive requirements as permitted by Merced Municipal Code section 3.04.120 for the procurement of Professional Services; and,

B. Approving a professional services agreement with Stantec Consulting Services, Inc., in the amount of \$100,356 for Wastewater Collection System Hydraulic Model Conversion and Update, Flow Data Analysis/Input, Model Recalibration and South Trunk Sewer Service Alternatives Analysis; and,

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

**This Consent Item was approved.**

**E.8.**

**SUBJECT:** Approval of First Amendment to the Agreement with Fairbank, Maslin, Maullin, Metz & Associates, Inc., in the Additional

Amount of \$29,750 and the Total not to Exceed the Contracted  
Amount of \$59,500 to Conduct a Feasibility Survey Regarding  
Potential 2020 Ballot Measures

**REPORT IN BRIEF**

Considers the approval of the First Amendment to the Agreement with Fairbank, Maslin, Maullin, Metz & Associates, Inc., for an additional amount of \$29,750 and the Total Contracted Amount not to exceed \$59,500 to conduct a feasibility survey regarding the potential 2020 ballot measures.

**RECOMMENDATION**

**City Council** - Adopt a motion:

- A. Approving the First Amendment to the Agreement with Fairbank, Maslin, Maullin, Metz & Associates, Inc., for an amount not to exceed \$29,750 related to the potential 2020 ballot measures feasibility survey; and,
- B. Approving a supplemental appropriation in the amount of \$29,750 from Fund 061-Measure C unreserved fund balance to the Professional Service account to provide funding for the amended agreement;
- D. Providing staff direction on areas within the feasibility survey regarding the potential 2020 ballot measures; and,
- C. Authorizing the City Manager or the Assistant City Manager to execute the necessary documents.

**This Consent Item was approved.**

**E.9.**

**SUBJECT:** Authorization to Accept and Appropriate Grant Funding in the Amount of \$1,000 for FY 2020 Merced County First 5 Community Engagement Event Sponsorship Program for Tiny Tots Santa's Workshop

**REPORT IN BRIEF**

Considers accepting grant funding in the amount of \$1,000 from Merced County First 5 for Santa's Workshop.

**RECOMMENDATION**

**City Council** - Adopt a motion:

- A. Accepting grant funds from Merced County First 5 and increasing revenue in account 024-1226-360-02-01 - Creative Skills-Contributions and Donations in the amount of \$1,000; and,
- B. Appropriating the same to account 024-1226-542-29-00; and,
- C. Authorizing the City Manager or the Assistant City Manager to execute the necessary documents.

**This Consent Item was approved.**

**E.10.**

**SUBJECT:** Authorization to Accept and Appropriate Grant Funding in the Amount of \$1,000 from FY 2019 Merced County First 5 Merced County Community Engagement Event Sponsorship Program for the Applegate Park Zoo's Lights Before Christmas Event

**REPORT IN BRIEF**

Considers accepting and appropriating grant funding in the amount of \$1,000 from Merced County First Five for the Applegate Park Zoo's Lights Before Christmas event.

**RECOMMENDATION**

**City Council** - Adopt a motion:

- A. Accepting grant funds from Merced County First Five and increasing revenue in account 024-1254-360-02-01 - Zoo Special Events (Contributions and Donations) in the amount of \$1,000; and,
- B. Appropriating \$1,000 to account 024-1254-542-29-00 - Zoo Special Events (Supplies and Services); and,
- C. Authorizing the City Manager or the Assistant City Manager to execute the necessary documents.

**This Consent Item was approved.**

**E.12.**

**SUBJECT:** Second Reading and Final Adoption of an Ordinance for Sign/Zoning Ordinance Amendment #19-04 Regarding Various Additions and Modifications to the City's Requirements for Signs

**REPORT IN BRIEF**

Second reading and final adoption of an Ordinance for Sign/Zoning

Ordinance Amendment #19-04 regarding various additions and modifications to the City's requirements for signs.

**RECOMMENDATION**

**City Council** - Adopt a motion adopting **Ordinance 2508**, an Ordinance of the City Council of the City of Merced, California, Amending Chapter 20.62, "Signs" of the Merced Municipal Code and Chapter 17.36, "Signs" of the Merced Municipal Code, including Article I-Definitions, Article II-General Regulations, Article III-Regulations for North Merced, and Article IV-Regulations for Downtown.

**This Consent Item was approved.**

**E.11.**

**SUBJECT:** Second Reading and Final Adoption of Ordinance to Revise Park Hours and Amending Section 14.04.070 - Hours - Permits to Reflect Approved New Park Hours

**REPORT IN BRIEF**

Second reading and final adoption of an Ordinance revising of park hours and update of Code of Ordinances Title 14, Chapter 14.04, Amending Section 14.04.070 - Hours - Permits.

**RECOMMENDATION**

**City Council** - Adopt a motion adopting **Ordinance 2505**, an Ordinance of the City Council of the City of Merced, California, amending Section 14.04.070, "Hours - Permit," of the Merced Municipal Code regarding City parks.

Mayor Pro Tempore MARTINEZ pulled this item to state his opposition.

Wayne EISENHART, Merced - spoke on behalf of the Downtown Neighborhood Association in support of the Ordinance.

Sair LARA, Merced - gave an update on the issues at Applegate Park.

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

**Aye:** 5 - Council Member Blake, Council Member McLeod, Council Member Serratto, Council Member Shelton, and Council Member Echevarria

**No:** 2 - Mayor Pro Tempore Martinez, and Mayor Murphy

**Absent:** 0

**F. PUBLIC HEARINGS**

F.1.

SUBJECT: Public Hearing - Tax Equity and Fiscal Responsibility Act (TEFRA) to Consider the Issuance of Tax Exempt Bonds by the California Statewide Communities Development Authority in an Aggregate Principal Amount not to Exceed \$12,000,000 for the Purpose of Financing or Refinancing the Acquisition, Construction, Improvement and Equipping of the Gateway Terrace II Project, Located at 13th and K Streets (APN 031-323-002)

**REPORT IN BRIEF**

Requests the City Council to conduct a TEFRA Public Hearing and consider adopting a resolution approving the issuance of bonds by the California Statewide Communities Development Authority in an aggregate amount not to exceed \$12,000,000 on behalf of the Merced Gateway Investors II, L.P. for the purpose of financing or refinancing the acquisition, construction, improvement and equipping of the Gateway Terrace II Project. The City will not have any financial or legal obligations for the tax exempt status of the bonds, the debt service on the bonds, or for any other matter related to the proposed bonds.

**RECOMMENDATION**

**City Council** - Adopt a motion:

A. Adopting **Resolution 2019-77**, a Resolution of the City Council of the City of Merced, California, approving the issuance by the California Statewide Communities Development Authority of Multifamily Housing Revenue Bonds for the Gateway Terrace II Apartments; and,

B. Authorizing the City Manager or the Assistant City Manager to execute all necessary documents.

Development Services Director Scott MCBRIDE gave a presentation on the Tax Equity and Fiscal Responsibility Act Considering the Issuance of Tax Exempt Bonds for the Gateway Terrace II Project Located at 13th and K Streets.

Mayor MURPHY opened and subsequently closed the Public Hearing at 6:20 PM due to lack of public comment.

Mayor Pro Tempore MARTINEZ and Executive Director for the Central Coalition for Affordable Housing Christine ALLEY discussed the project and the timeline.

**A motion was made by Council Member Serratto, seconded by Council Member**

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Echevarria, to approve Resolution 2019-77. The motion carried by the following vote:

**Aye:** 7 - Mayor Pro Tempore Martinez, Mayor Murphy, Council Member Blake, Council Member McLeod, Council Member Serratto, Council Member Shelton, and Council Member Echevarria

**No:** 0

**Absent:** 0

## G. REPORTS

### G.1.

**SUBJECT:** Review of Council Directed Variations of Scenario 3 of the Draft Report of the Solid Waste Collection and Related Services Rate Study with R3 Consulting Group, Inc., Approval of the Report and Request to Set a Public Hearing for March 2, 2020, Following the Proposition 218 Notification

#### REPORT IN BRIEF

Presentation of Variations of Scenario 3 per Council Direction and the Draft Solid Waste Collection and Related Services Rate Study.

#### RECOMMENDATION

**City Council** - Adopt a motion:

A. Approving the Solid Waste Collection and Related Services Rate Study Report; and,

B. Selecting a Version of Scenario 3 and specifying with OR without an additional third party litter abatement funding; and,

C. Authorizing staff to proceed with the Public Notification process following Proposition 218 guidelines; and,

D. Setting a Public Hearing for March 2, 2020, at 6:00 PM to approve the amended rates.

Recycling Coordinator Monique GAMA and R3 Consulting Group Consultant Carrie BAXTER gave a slide show presentation on the Solid Waste Collection and Related Services Rate Study.

Doug FLEUTSCH, Merced - spoke in support of a third party litter abatement program.

Jeff LAWRY, Merced - spoke in support of a third party litter abatement

program.

Matt ST. PIERRE, Merced - spoke on the litter abatement program and the on going trash needs of the City.

Wayne EISENHART, Merced - spoke on behalf of the Downtown Neighborhood Association in support of a third party litter abatement program.

Julian KELLY, Merced - spoke on the proposed third party litter abatement program.

Jesse FLORES, Merced - spoke on accountability.

Mayor Pro Tempore MARTINEZ and Assistant City Manager Stephanie DIETZ discussed the scope of service and evaluating the program.

Council discussed the value of the program, servicing the whole City, the dollar amount for the program, and the need for a litter abatement program.

Council and Ms. BAXTER discussed comparing rate increases with surrounding cities and fund reserves.

Finance Officer Venus RODRIGUEZ discussed the effects of unpaid refuse bills and spoke on the benefits of the higher percentage.

Council discussed option 2 and 3 of the refuse rate with a litter abatement program and rate options.

**A motion was made by Council Member McLeod, seconded by Council Member Blake, to support option three with litter abatement and set the Public Hearing for March 2, 2020. The motion carried by the following vote:**

**Aye:** 7 - Mayor Pro Tempore Martinez, Mayor Murphy, Council Member Blake, Council Member McLeod, Council Member Serratto, Council Member Shelton, and Council Member Echevarria

**No:** 0

**Absent:** 0

**G.2.**

**SUBJECT: Merced Subbasin Groundwater Sustainability Plan (GSP) Report Overview and Adoption of a Resolution Authorizing the Execution of the Groundwater Sustainability Plan for the Merced Groundwater Basin**

**REPORT IN BRIEF**

Report on the Merced Groundwater Sustainability Plan and consideration

of adopting a Resolution authorizing the execution of the Groundwater Sustainability Plan for the Merced Groundwater Basin.

**RECOMMENDATION**

**City Council** - Adopt a motion adopting **Resolution 2019-81**, a Resolution of the City Council of the City of Merced, California, authorizing execution of the Groundwater Sustainability Plan for the Merced Groundwater Basin.

Public Works Director Ken ELWIN gave a slide show presentation on the Merced Subbasin Groundwater Sustainability Plan.

Dennis EVANS, Merced - offered his services for the Groundwater Sustainability Plan.

**A motion was made by Council Member Blake, seconded by Mayor Pro Tempore Martinez, to approve Resolution 2019-81. The motion carried by the following vote:**

**Aye:** 7 - Mayor Pro Tempore Martinez, Mayor Murphy, Council Member Blake, Council Member McLeod, Council Member Serratto, Council Member Shelton, and Council Member Echevarria

**No:** 0

**Absent:** 0

**H. BUSINESS**

**H.1.** **SUBJECT: Council Member Serratto's Report and Request to Discuss a Revitalization Pilot Program for the Loughborough Neighborhood**

**REPORT IN BRIEF**

Council Member Serratto will give a report on the feedback he received from his Town Hall and present ideas for a possible revitalization pilot program.

**RECOMMENDATION**

Provide staff direction for possible next steps.

Council Member SERRATTO gave a slide show presentation on the feedback he received from his Town Hall.

City Manager Steve CARRIGAN and Assistant City Manager Stephanie DIETZ discussed the next steps for staff to work on.

Monika GRASLEY, Merced - thanked everyone for attending the Town Hall.

She also spoke on community change, ownership, and developing neighborhood groups.

Julian KELLY, Merced - spoke in support of the proposed program and offered suggestions.

**A motion was made by Council Member Serratto, seconded by Council Member McLeod, directing staff to bring back a plan and cost estimate to the January 21, 2020 council meeting. The motion carried by the following vote:**

**Aye:** 7 - Mayor Pro Tempore Martinez, Mayor Murphy, Council Member Blake, Council Member McLeod, Council Member Serratto, Council Member Shelton, and Council Member Echevarria

**No:** 0

**Absent:** 0

**H.2. 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.

Council Member ECHEVARRIA requested to add an item on flavored tobacco for a meeting in February.

Council Member SERRATTO requested to add items regarding Community Park Lot 42 and Laura Fountain for the December 16, 2019 Council meeting.

**H.3. 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.

Mayor Pro Tempore MARTINEZ reported on attending a turkey giveaway and a viewing of a local documentary.

Mayor MURPHY reported on attending the Merced County Association of Governments meeting, a San Joaquin rail meeting, and the turkey giveaway.

**I. ADJOURNMENT**

**Clerk's Note:** The Regular Meeting adjourned at 8:37 PM.

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

**Aye:** 7 - Mayor Pro Tempore Martinez, Mayor Murphy, Council Member Blake, Council Member McLeod, Council Member Serratto, Council Member Shelton, and Council Member Echevarria

**No:** 0

**Absent:** 0