

**ECONOMIC DEVELOPMENT ADVISORY COMMITTEE  
City of Merced**

**MINUTES**

MERCED CIVIC CENTER  
3<sup>RD</sup> FLOOR CONFERENCE ROOM  
678 W 18<sup>TH</sup> STREET  
MERCED, CALIFORNIA

**TUESDAY**  
JANUARY 27, 2015

**A. CALL TO ORDER**

The meeting was called to order by Committee Chair Doug Fluetsch at 7:00A.M.

**B. ROLL CALL**

Members Present: Mary Camper  
Doug Fluetsch  
Christie Hendricks  
Vanessa Lara  
Ashley Leffard  
Paul Lundberg  
Jeff Pennington  
Joe Ramirez  
John Sundgren

Members Absent: Steve Roussos (excused)

Others Present: None

Staff Present: John Bramble, City Manager  
Frank Quintero, Director of Economic Development  
Mike Wegley, Director of Public Works  
Maria Mendoza, Development Associate  
Karen Baker, Development Associate

**C. ADDITIONS/DELETIONS TO THE AGENDA**

None

None

**E. CONSENT CALENDAR**

**M/S LUNDBERG/LARA** to approve the EDAC Minutes of November 25, 2014.

The motion passed by the unanimous voice vote of all members present.

**F. DIRECTOR'S REPORT**

Director of Economic Development Frank QUINTERO reported that Food Processing continues to play an important role in the City's Economic Development efforts. Staff is currently working on a project at the former Ragu plant.

Economic Development staff is receiving more commercial inquiries. Staff has responded to two auto related inquiries, and other inquiries continue to focus on existing buildings, re-purposing buildings, and creating more sites on W. Olive Avenue.

Economic Development staff recently met with representatives from Fresno-based Newmark, Grubb, Pearson Commercial regarding a proposed project at the Airport Industrial Park. Newmark, Grubb, Pearson Commercial would like to construct a spec building on the City's Airport Industrial Park property through a Public-Private Partnership with the City. In addition, the firm will represent the City's remaining Airport Industrial Park properties. The team assembled by Newmark, Grubb, Pearson has been responsible for building many quality projects throughout the Central Valley, and staff is confident that if the spec building project comes to fruition, it will be another success to be added to the list.

Mr. QUINTERO also reported that Borrell USA is in the process of expanding their current facility at Riggs and West Ave. The company purchased two parcels west of their site with plans to expand operations.

**G. ACTION/INFORMATION ITEMS**

**G.1 Cancellation of the EDAC meeting of Tuesday, February 24, 2015.**

Director of Economic Development Frank QUINTERO stated that staff was scheduled to participate in three outreach events during February 2015, including the World Ag Expo in Tulare, California League of Food Processors in Sacramento, and Society of Industrial and Office Realtors Chapter Event in

Santa Clara. In addition to the follow up that would ensue from the return of the aforementioned events, staff would also need time to prepare for TeamCalifornia's 4<sup>th</sup> Annual Meeting the Consultants Conference and the ICSC Idea exchange which were scheduled for March 2015.

It was the request of staff to cancel the EDAC meeting of March 24, 2015 to allow time to respond to contacts and prepare for March 2015 outreach events.

**M/S LEFFARD/SUNDGREN** to cancel the EDAC meeting of February 24, 2015.

The motion passed by the unanimous voice vote of the members present.

## **G.2 UC Merced Parade Lease Proposed Amendment and Memorandum of Understanding**

Director of Economic Development Frank QUINTERO stated that following the July 29, 2014 EDAC Meeting regarding the University of California Parade Lease, concerns were raised that the UC was getting the office space free of charge. As a result, an Amendment to the Lease was proposed.

As University staff re-visited space needs and program implementation for the business accelerator, an opportunity made itself available to temporarily re-locate UC Merced personnel into a portion of the Parade office space until the space was needed for the accelerator. The UC agreed to pay \$0.80/sq.ft. on the 3,635 sq.ft. that is to be temporarily occupied by UC staff. City and UC Merced staffs anticipate that the business accelerator will come to maturity during 2018.

A Memorandum of Understanding (MOU) was also proposed to set the foundation for work products generated including programs, plans and strategies relative to the business incubator.

The project is anticipated to be up and running by June 2015 with a projected 50 employees.

**M/S PENNINGTON/RAMIREZ** to approve the Lease Amendment and MOU to Council.

The motion passed by the unanimous voice vote of all members present.

## **G.3 Waste Water Treatment Alternatives for Food Processing Companies**

According to Director of Economic Development Frank QUINTERO, the City of Merced has been runner up to projects that have recently located in Turlock such as Hilmar Cheese and Blue Diamond. Staff is working on ways to become more

competitive concerning treating heavy wastewater loads from food processing companies. Mr. Quintero discussed the difference between wastewater loads versus wastewater flow.

Director of Public Works, Mike WEGLEY stated that one of the major limiting factors when it comes to food processing is waste water treatment plant capacity. Tulare has a separate treatment plant and Turlock's wastewater processing rates favor food processing users which has given them the advantage on industrial projects. For the past ten years, the City of Merced has been working on getting the waste water treatment plant ready for residential development based on growth rates during the boom. City staff is evaluating different pre-treatment alternatives for treating heavy food processing wastewater loads.

Mr. QUINTERO added that water discharge regulations are set at the state and federal levels, not by the Cities, and that staff was working with a company called Symbiont to assist with the future plans regarding waste water issues.

#### **H. OTHER BUSINESS**

None

#### **I. ADJOURNMENT**

There being no further business, the meeting was adjourned at 7:59 a.m. to the EDAC meeting on March 31, 2015 at 7:00 a.m., Third Floor Conference Room, Merced Civic Center, 678 W. 18<sup>th</sup> Street, Merced, CA 95340.

Prepared by:

  
Maria Mendoza  
Recording Secretary

Approved by:

  
Doug Fluetsch  
Chair