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

Monday, July 21, 2025 **6:00 PM**

A. CLOSED SESSION ROLL CALL

Present: 7 - Mayor Matthew Serratto, Mayor Pro Tempore Sarah Boyle, Council Member Darin Dupont, Council Member Ronnie DeAnda, Council Member Michael Harris, Council Member Shane Smith, and Council Member Fue Xiong

Absent: 0

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 shortly after Council went into Closed Session at 5:05 PM.

B.1. **SUBJECT:** CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION City of Merced v. California Department of Fish and Wildlife, et al. MSC Case No. 23CV-03845 Pursuant to California Government Code Section 54956.9(d)(1)

B.2. **SUBJECT:** CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION Borba, et al. v. County of Merced, et al. MSC Case No. 23CV-04368 Pursuant to California Government Code Section 54956.9(d)(1)

B.3. **SUBJECT:** CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION Glenn et al. v. County of Merced, et al. MSC Case No. 24CV-01073 Pursuant to California Government Code Section 54956.9(d)(1)

B.4. **SUBJECT:** CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION Perez-Ramirez et al. v. County of Merced, et al. MSC Case No. 24CV-00234 Pursuant to California Government Code Section 54956.9(d)(1)

Clerk's Note: Council adjourned from Closed Session at 5:49 PM.

C. CALL TO ORDER

Mayor SERRATTO called the Regular Meeting to order at 6:02 PM.

C.1. Invocation - Val Fogelberg, The Church of Christ of Latter-Day Saints

The Invocation was led by Pastor Val FOGELBERG of the Church of Christ of Latter-Day Saints.

C.2. Pledge of Allegiance to the Flag

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

D. ROLL CALL

Present: 7 - Mayor Matthew Serratto, Mayor Pro Tempore Sarah Boyle, Council Member Darin Dupont, Council Member Ronnie DeAnda, Council Member Michael Harris, Council Member Shane Smith, and Council Member Fue Xiong

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, the Public Financing and Economic Development Authority, and the Successor Agency to the Redevelopment Agency. City Council members receive a monthly stipend of $500.00 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 2024-78. The members of the Parking Authority, the Public Financing and Economic Development Authority, and the Successor Agency to the Redevelopment Agency receive no compensation.

E. REPORT OUT OF CLOSED SESSION

There was no report.

F. CEREMONIAL MATTERS

F.1. **SUBJECT:** Certificate of Recognition to Merced High School Track and Field Players for Winning the Division 3 Section Championship - Requested By Mayor Pro Tempore Boyle

REPORT IN BRIEF

Received by Merced High School Track and Field players.

Mayor SERRATTO presented a Certificate of Recognition to the Merced High School Track and Field players.

G. WRITTEN PETITIONS AND COMMUNICATIONS

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

Public Comment: Kathryn BOREN.

Agenda Item J.2.: Anna COLINS, Lynn and Joe MALLOY, and Carl JONES.

H. PUBLIC COMMENT

Aggie FREEMAN, Merced - shared details of the Back to School Clothes for Kids event ran by the Merced Sunrise Rotary Club.

Dennis TAYLOR, Merced - spoke on the redlight cameras and the signs on the stop light on 16th Street and R Street.

Mayor SERRATTO suggested to speak with the Chief of Police.

Colton DENNIS, Merced - spoke on the Showcase event and Annual meeting hosted by the Multicultural Arts Center and the Merced Arts Council.

Mary Lou TORRES, Merced - spoke on the speeding, traffic, and stop sign issues on 13th Street.

Mayor SERRATTO suggested to speak to the Merced Police Department's Traffic Sergeant and the Traffic Committee.

Karthik PRASAD, Representative of Congressman Adam GRAY, Merced - shared updates from Washington D.C. and details of the mobile hours.

I. CONSENT CALENDAR

Agenda Items I.9. Approval of a First Amendment to a Deposit and Reimbursement Agreement with MCYL1, LLC, Relating to the Annexation of the Yosemite Lake Village Project to the City of Merced, Generally Located at the Northeast Corner of G Street and Old Lake Road and I.10. Adoption of a Resolution Approving Final Map #5426 for Crossing at River Oaks Phase 8, Subdivision for 36 Lots Near the Southeast Corner of Coffee Street and Childs Avenue, and the Approval of the Subdivision Agreement for the Crossing at River Oaks Phase 8; were pulled for separate consideration.

Approval of the Consent Agenda

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

Aye: 7 - Mayor Serratto, Mayor Pro Tempore Boyle, Council Member Dupont, Council Member DeAnda, Council Member Harris, Council Member Smith, and Council Member Xiong

No: 0

Absent: 0

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 Valley Children's Hospital's Request to Approve a Modified Second Amendment and Restated Grant Deed

REPORT IN BRIEF:

Considers approving Valley Children's Hospital's request to approve a modified Second Amended and Restate Grant Deed with minor changes to the terms related to Covenant to Construct.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving the modified Second Amended and Restated Grant Deed between the City of Merced and Valley Children's Hospital for 301 E. Yosemite Avenue (Assessor's Parcel Number 231-040-021); and,

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

This Consent Item was approved.

I.3. **SUBJECT:** Approval of the Salary Table for 2025 to Bring the City of Merced in Compliance with the CalPERS Requirement for a Publicly Available Pay Schedule

REPORT IN BRIEF

Considers approving the Salary Table for 2025 to bring the City of Merced in compliance with the CalPERS requirement for a publicly available pay schedule.

RECOMMENDATION

City Council - Adopt a motion:

A. Adopting **Resolution 2025-51**, a Resolution of the City Council of the City of Merced, California approving the City-Wide Salary Table for 2025; and,

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

This Consent Item was approved.

I.4. **SUBJECT:** Approval of a 5-year Software License Agreement with Samsara via Carahsoft for GPS and Telematic Hardware and Software for City of Merced Fleet Vehicles for a Total Contract Amount of $112,578

REPORT IN BRIEF

Considers entering into a 5-year License Agreement with Samsara via Carahsoft for GPS and Telematic hardware and software to provide real-time GPS tracking, and predictive maintenance alerts - all from a single integrated platform in the amount of $112,578 utilizing the cost savings 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 a 5-year License Agreement with Samsara via Carahsoft through Sourcewell National Cooperative Purchasing contract #020221-SAM; and,

C. Approving future amendments to adjust the number of vehicles with licensed software based on addition and removal of vehicles in the City's fleet; and,

D. Authorizing the City Manager to execute the necessary documents.

This Consent Item was approved.

I.5. **SUBJECT:** Approval of Three One-Year Annual Renewal Extensions with ESO Solutions, Inc. for a Records Management System in the Amount of $36,130.94

REPORT IN BRIEF

Considers approving to waive the competitive bidding requirement pursuant to Merced Municipal Code section 3.04.210 and approve the extension of an existing agreement with ESO Solutions, Inc. for a records management system software program for three one-year renewals in the amount of $36,130.94 and

RECOMMENDATION

City Council - Adopt a motion:

A. Approving to waive the competitive bidding requirements as stated in Section 3.04.210 of the Merced Municipal Code pursuant to annual service or supply agreement and purchases necessary for standardization on particular types of equipment; and,

B. Approving three one-year annual renewal subscriptions with ESO Solutions, Inc. for $36,130.94; and,

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

This Consent Item was approved.

I.6. **SUBJECT:** Approval and Establishment of the 2025-2027 Master Tow Service Agreement

REPORT IN BRIEF

Considers approving the 2025-2027 Merced Police Department Tow Service Agreement that will go into effect August 1, 2025, and expire July 31, 2027.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving and establishing the 2025-2027 Master Tow Service Agreement; and,

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

This Consent Item was approved.

I.7. **SUBJECT:** Approval of Two Agreements for Professional Services with Provost and Pritchard Engineering Group, Inc., for the PCE (Tetrachloroethylene) Groundwater Project No. CP260031 in the Amount of $240,000 and for PCE Reporting in the Amount of $42,000

REPORT IN BRIEF

Considers approving two separate Professional Services Agreements for environmental remediation services and required monitoring reports for the PCE (Tetrachloroethylene) Groundwater Project in an amount of $282,000.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving the Agreement for Professional Services (cleanup contract) with Provost and Pritchard Engineering Group, Inc., in the amount of $240,000 for PCE (Tetrachloroethylene) groundwater cleanup; and,

B. Approving the Agreement for Professional Services (reporting contract) with Provost and Pritchard Engineering Group, Inc., in the amount of $42,000 for report drafting; and,

C. Authorizing the City Manager to execute necessary documents.

This Consent Item was approved.

I.8. **SUBJECT:** Approval to Reject All Bids Received for Project No. CP240040 IT Generator Replacement

REPORT IN BRIEF

Considers approving to reject all bids received for CP240040 IT Generator Replacement to update the Information Technology Department’s emergency generator at the Merced Civic Center due to insufficient project funding.

RECOMMENDATION

City Council - Adopt a motion:

A. Rejecting all bids received for Project No. CP240040 IT Generator Replacement due to insufficient funding; and,

B. Directing staff to re-evaluate the project design and re-bid the project.

This Consent Item was approved.

I.9. **SUBJECT:** Approval of a First Amendment to a Deposit and Reimbursement Agreement with MCYL1, LLC, Relating to the Annexation of the Yosemite Lake Village Project to the City of Merced, Generally Located at the Northeast Corner of G Street and Old Lake Road

REPORT IN BRIEF

Considers approving an amendment to the Deposit and Reimbursement Agreement with MCYL1, LLC, to change the payment schedule of the De Novo contract and to reimburse for City staff time to manage said contract.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving the First Amendment to the Deposit and Reimbursement Agreement with MCYL1, LLC; and,

B. Authorizing the City Manager to execute the agreements.

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

Clerk's Note: Council Member SMITH recused himself due to the applicant being a client at his law firm.

Clerk's Note: There was no Council discussion.

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

Aye: 6 - Mayor Serratto, Mayor Pro Tempore Boyle, Council Member Dupont, Council Member DeAnda, Council Member Harris, and Council Member Xiong

No: 0

Absent: 0

Recused: 1 - Council Member Smith

I.10.

SUBJECT: Adoption of a Resolution Approving Final Map #5426 for Crossing at River Oaks Phase 8, Subdivision for 36 Lots Near the Southeast Corner of Coffee Street and Childs Avenue, and the Approval of the Subdivision Agreement for the Crossing at River Oaks Phase 8

REPORT IN BRIEF

Considers adopting the Final Map #5426 for 36 lots, located between Coffee Street and Campus Parkway, south of Childs Avenue, and the Subdivision Agreement for the Crossing at River Oaks, Phase 8 Subdivision.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving **Resolution 2025-49**, a Resolution of the City Council of the City of Merced, California, approving the Final Subdivision Map for the Crossing at River Oaks, Phase 8 Subdivision (#5426); and,

B. Approving the Subdivision Agreement for the Crossing at River Oaks, Phase 8 Subdivision; and,

C. Authorizing the City Manager to execute all necessary documents.

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

Clerk's Note: Council Member SMITH recused himself due to the applicant being a client at his law firm.

Clerk's Note: There was no Council discussion.

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

Aye: 6 - Mayor Serratto, Mayor Pro Tempore Boyle, Council Member Dupont, Council Member DeAnda, Council Member Harris, and Council Member Xiong

No: 0

Absent: 0

Recused: 1 - Council Member Smith

J. PUBLIC HEARINGS

J.1.

SUBJECT: Public Hearing - General Plan Amendment #25-0001, Zone Change #25-0002, and Environmental Review #25-0006, Initiated by Stonefield Home, Inc., Applicant for TRS Enterprises, Inc., Property Owner. The General Plan Amendment Would Amend the General Plan Land Use Designation from Neighborhood Commercial (CN) to Low Density Residential (LD), and the Zone Change Would Change the Zoning Designation from Neighborhood Commercial (C-N) to Low Density Residential (R-1-5) for an Approximate Five (5) Acre portion of a Larger Site to Allow for the Development of Approximately Twenty-Seven (27) Single-Family Lots, Previously Approved for this Site, by Tentative Subdivision Map #1263 (“Crossing at River Oaks”). The Subject Site is Generally Located on the South Side of E. Childs Avenue, Approximately 780 Feet East of the Intersection of E. Childs Avenue and Coffee Street

REPORT IN BRIEF

Considers changing the General Plan land use designation from Neighborhood Commercial (CN) to Low Density Residential (LD), and the zoning classification from Neighborhood Commercial (C-N) to Low Density Residential (R-1-5), including the Environmental Review and Legislative Action Agreement for an approximately 5-acre site. The subject site is generally located south of East Childs Avenue, approximately 780 feet east of the intersection of E. Childs Avenue and Coffee Street.

In 2004, the City approved a housing subdivision on the project site as part of the “Crossing at River Oaks” development, which included 277 single-family homes. However, the site was never properly rezoned from commercial to residential. Despite this, the project has continued to receive permits to develop homes within this site.

This General Plan Amendment and Zone Change is being requested to address the missing entitlements and ensure that the lots/homes are no longer classified as legal non-conforming. A legal non-conforming status can create challenges for homeowners, such as difficulties in expanding their homes, or refinancing their properties.

Approving this General Plan Amendment and Zone Change would formally designate the site as residential, bring the subdivision into full compliance, and complete the approval process originally initiated in 2004.

RECOMMENDATION

City Council - Adopt a motion:

A. Adopting **Resolution 2025-50**, A Resolution of the City Council of the City of Merced, California, approving Environmental Review #25-0006 (Categorical Exemption) for General Plan Amendment #25-0001 and Zone Change #25-0002 for approximately 5.0 acres of land generally located on the south side of East Childs Avenue, approximately 780 feet east of Coffee Street, and approving General Plan Amendment #25-0001 for the same property changing the General Plan designation from Neighborhood Commercial (CN) to Low Density Residential (LD);and,

B. Introducing **Ordinance 2579**, An Ordinance of the City Council of the City of Merced, California, amending the official Zoning Map by rezoning approximately 5.0 acres of land generally located on the south side of East Childs Avenue, approximately 780 feet east of Coffee Street, from Neighborhood Commercial (C-N) to Low Density Residential (R-1-5); and,

C. Approving the Legislative Action Agreement and authorizing the City Manager to execute the necessary documents.

Clerk’s Note: Council Member SMITH recused himself due to the applicant being a client at his law firm.

Clerk's Note: Council took a recess at 6:37 PM and reconvened at 6:41 PM due to technical difficulties during the meeting.

Acting Principal Planner Francisco MENDOZA gave a slideshow presentation on the General Plan Amendment #25-0001, the Zone Change #25-0002, and the Environmental Review #25-0006 for Stonefield Home, Inc.

Mayor SERRATTO opened the Public Hearing at 6:45 PM and subsequently closed the Public Hearing at 6:45 PM due to lack of public comments.

Council and Mr. MENDOZA discussed the process of the zone change and the timeline of the project.

A motion was made by Council Member Dupont, seconded by Mayor Pro Tempore Boyle, that this agenda item be approved. The motion carried by the following vote:

Aye: 5 - Mayor Serratto, Mayor Pro Tempore Boyle, Council Member Dupont, Council Member DeAnda, and Council Member Harris

No: 1 - Council Member Xiong

Absent: 0

Recused: 1 - Council Member Smith

J.2.

SUBJECT: Public Hearing - Appeal #25-0002 of Planning Commission's Approval of Conditional Use Permit #25-0006, Initiated by Brenda Morgun; This Application Involves a Request to Construct a 55-Foot-Tall Wireless Communication Tower in the Form of a Stealth Mono-Palm Tree at 3400 Parsons Avenue, Generally Located at the Northwest Corner of Brookdale Drive and Parsons Avenue, with a General Plan Designation of Open Space - Park Recreation (OS-PK), and a Zoning Classification of Low Density Residential (R-1-6)

REPORT IN BRIEF

Public hearing to appeal #25-0002 of the Planning Commission's approval of Conditional Use Permit #25-0006 to construct a 55-foot-tall wireless communication tower in the form of a stealth mono-palm tree at 3400 Parsons Avenue; initiated by Brenda Morgun.

RECOMMENDATION

City Council - Adopt a motion:

For Project Denial

A. Adopting **Resolution 2025-__,** a Resolution of the City Council of the City of Merced, California, approving the Appeal of the Merced Planning Commission approval of Conditional Use Permit #25-0006; or,

For Project Approval

B. Adopting **Resolution 2025-__**, a Resolution of the City Council of the City of Merced, California, denying the Appeal of the Merced Planning Commission approval of Conditional Use Permit #25-0006; or,

For Project Continuation

C. Continuing the appeal to a specific date (to be spelled out in the Council motion).

Acting Principal Planner Francisco MENDOZA gave a slideshow presentation on the appeal of the Planning Commission's approval of conditional use permit #25-0006 submitted by resident Brenda MORGUN.

Council, City Attorney Craig CORNWELL, and Mr. MENDOZA discussed the legal findings to reject a cell tower and the findings of the project.

Mayor SERRATTO opened the Public Hearing at 7:00 PM.

Brenda MORGUN, Appellant, Merced - gave a slideshow presentation in opposition of placing the cell tower in Rahilly Park and suggested other city owned locations.

Julie HORAL, Merced - spoke on the cell tower location, home depreciation, increase in crime in the area, and in opposition of the cell tower.

Anna COLLINS, Merced - spoke in disappointment on the decision to place a cell tower at Rahilly Park and stated it will bring trash and graffiti.

Aurora MARTINEZ, Merced - asked Council to vote against the cell tower project and to move the tower to another location.

Carl Jones, AT&T Representative and Applicant - spoke on the history of cell towers, the process of this cell tower project, the work that AT&T and City staff has done for the proposed project, and details of the first responder network the cell tower would provide.

Council and Mr. JONES discussed details of the technical reasoning for choosing Rahilly Park as the site, the aesthetic of the cell tower, and previous cell tower projects.

Ms. MORGUN, Merced - spoke on finding an alternative location for the cell phone tower and details of the current proposed location of the project.

Izmael MENDOZA, Merced - spoke in opposition of the cell tower being placed in Rahilly Park, details of the network coverage, and asked to find alterative locations.

Mr. JONES, Merced - spoke on details of the proposed sites and the decision to choose a specific site.

Mayor SERRATTO closed the Public Hearing at 7:33 PM.

Clerk's Note: Council Member SMITH disclosed the conversations he had with the Appellant Brenda MORGUN and had emails from different residents and Mr. JONES.

Council discussed details of the federal laws with cell tower locations, the community members that engaged in the proposed project, the zoning change, the eye sore of the cell tower, of the federal and state restrictions, and details of the alternative sites according the Planning Commission.

A motion was made by Council Member Harris, seconded by Council Member Smith, to deny the appeal and to uphold the Planning Commission's decision. The motion carried by the following vote:

Aye: 6 - Mayor Serratto, Mayor Pro Tempore Boyle, Council Member Dupont, Council Member DeAnda, Council Member Harris, and Council Member Smith

No: 1 - Council Member Xiong

Absent: 0

K. ACTION ITEMS

K.1.

SUBJECT: Acceptance and Appropriation of a Private Donation in the Amount of $200,000 to the Parks and Community Services Department to Fund the Third Zookeeper at Applegate Zoo for Three Consecutive Years

REPORT IN BRIEF

Considers accepting and appropriating a private donation of $200,000 to fund a third Zookeeper for three consecutive years.

RECOMMENDATION

City Council - Adopt a motion:

A. Accepting the donation of $200,000 to cover the expense for a third Zookeeper for three consecutive years; and,

B. Increasing Donation Revenue in Fund 1018-Parks and Community Services in the amount of $65,085 and appropriating the same for the first year’s funding for Zoo Personnel Expenses; and,

C. Accepting the remainder of $134,915 into a deposit account until the year it is needed to be used; and,

D. Approving to reallocate $65,085 from General Fund transfer for 1018 4010- Zoo Personnel Expenses to Ballfield Maintenance, account 1018 4020- Fields & Facilities Operating Materials & Supplies.

Director of Parks and Community Services Christopher JENSEN briefly discussed the acceptance and appropriation of a private donation to fund a third Zookeeper at Applegate Zoo.

Council and Mr. JENSEN discussed details of the donation, the position being funded, the funds previously allocated for the position, and finding other programs and parks the additional funding can be allocated to.

Clerk's Note: This Agenda Item required five affirmative votes from Council.

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

Aye: 7 - Mayor Serratto, Mayor Pro Tempore Boyle, Council Member Dupont, Council Member DeAnda, Council Member Harris, Council Member Smith, and Council Member Xiong

No: 0

Absent: 0

K.2.

SUBJECT: Approval of a Second Amendment to the Professional Service Agreement with Provost & Pritchard Engineering Group, Incorporated, for Additional Drilling for the Airport Remediation Site Investigation and a Supplemental Appropriation in the Amount of $15,000 From Fund 6001 Water Operations

REPORT IN BRIEF:

Considers approving a Second Amendment to the Professional Services Agreement for the additional drilling to the work program and investigation at the Airport Remediation Site as required by the California Regional Water Quality Control Board in the amount of $15,000 for a contract total of $468,565.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving the Second Amendment to the Professional Services Agreement with Provost & Pritchard Engineering Group for the additional drilling to the work program and investigation at the Airport Remediation Site as required by the California Regional Water Quality Control Board in the amount of $15,000; and,

B. Approving a Supplemental Appropriation in the amount of $15,000 from the unencumbered, unreserved fund balance of Fund 6001-Water Operations, Professional Services account; and,

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

Economic Development Associate Amanda WILLIAMS briefly discussed the second amendment to the Professional Services Agreement with Provost and Pritchard Engineering Group.

Clerk's Note: There was no Council discussion.

A motion was made by Mayor Pro Tempore Boyle, seconded by Council Member Dupont, that this agenda item be approved. The motion carried by the following vote:

Aye: 7 - Mayor Serratto, Mayor Pro Tempore Boyle, Council Member Dupont, Council Member DeAnda, Council Member Harris, Council Member Smith, and Council Member Xiong

No: 0

Absent: 0

K.3.

SUBJECT: Approval of a First Amendment to Professional Services Agreement with Dudek for Environmental Services, and a First Amendment to a Deposit and Reimbursement Agreement with Gardner Ranch 2, LLC, and Gardner Commercial, LP, for the Reserve Annexation (Annexation #16-01) Consisting of Approximately 70 Acres of Land, Generally Located at the Northeast Corner of Yosemite Avenue and Gardner Avenue

REPORT IN BRIEF

Considers approving a First Amendment to the Professional Services Agreement with Dudek in the amount of $58,290 (from $202,820 to $261,110) to complete environmental services for the Reserve Annexation (Annexation #16-01),consisting of approximately 70 acres of land, generally located at the northeast corner of Yosemite Avenue and Gardner Avenue, and approving an amendment to the Deposit and Reimbursement Agreement with Gardner Ranch 2, LLC, and Gardner Commercial, LP, to increase by $64,119 to (from $223,102 to $287,221) to fund the Dudek contract and to reimburse for City staff time to manage the contract.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving the First Amendment to the Professional Services

Agreement with Dudek to complete environmental services for the Reserve Annexation (Annexation #16-01), an increase in the amount of $58,290; and,

B. Approving the First Amendment to the Deposit and Reimbursement Agreement with Gardner Ranch 2, LLC, and Gardner Commercial, LP, in the amount of $64,119 to cover the additional cost of the consultant contract ($58,290) and additional staff time ($5,829) for the administration of the environmental review process and contract; and,

C. Approving an increase of revenue in the amount of $58,290 to Fund 3000-Development Services, Developer Capital Fees account and appropriating the same to Fund 3000-Development Services, Professional Services account for payment to Dudek; and,

D. Approving an increase in revenue in the amount of $5,829 to Fund 3000-Development Services, Cost Recovery account; and,

E. Authorizing the City Manager to execute the agreements.

Clerk’s Note: Council Member DUPONT recused himself due to the applicant being a client at his law firm.

Acting Principal Planner Francisco MENDOZA gave a slideshow presentation on the approval for a first amendment to the Professional Services Agreement with Dudek and a first amendment to the Deposit and Reimbursement Agreement with Gardner Annexation for the Reserve Annexation.

Clerk’s Note: There was no Council discussion.

Clerk's Note: This Agenda Item required five affirmative votes from Council.

A motion was made by Council Member Harris, seconded by Mayor Pro Tempore Boyle, that this agenda item be approved. The motion carried by the following vote:

Aye: 6 - Mayor Serratto, Mayor Pro Tempore Boyle, Council Member DeAnda, Council Member Harris, Council Member Smith, and Council Member Xiong

No: 0

Absent: 0

Recused: 1 - Council Member Dupont

K.4. **SUBJECT:** Approval of an Agreement for Professional Services with

De Novo Planning Group for Environmental Services, and a Deposit and Reimbursement Agreement with The Dominion Village at Merced, LLC, for the Old Dominion Annexation (Annexation #25-0001) Consisting of Approximately 260 Acres of Land, Generally Located North of Bellevue Road, South of Farmland Road, East of G Street and West of Golf Road

REPORT IN BRIEF

Considers approving an Agreement for Professional Services with De Novo Planning Group in the amount of $362,304 to perform environmental services for the Old Dominion Annexation (Annexation #25-0001), consisting of approximately 260 acres of land, generally located north of Bellevue Road, south of Farmland Road, east of G Street and west of Golf Road, and entering into a deposit and reimbursement agreement with the Dominion Village at Merced, LLC, in the amount of $398,534.40 to fund the De Novo contract and to reimburse for City staff time to manage the contract.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving the Professional Services Agreement with De Novo Planning Group to complete environmental services for the Old Dominion Annexation (Annexation #25-0001), in the amount of $362,304; and,

B. Approving the Deposit and Reimbursement Agreement with The Dominion Village at Merced, LLC, in the amount of $398,534.40 to cover the consultant contract ($362,304) and additional staff time ($36,230.40) for the administration of the environmental review process and contract; and,

C. Approving an increase of revenue in the amount of $362,304 to Fund 3000-Development Services, Developer Capital Fees account and appropriating the same to Fund 3000-Development Services, Professional Services account for payment to Environmental Science Associates; and,

D. Approving an increase in revenue in the amount of $36,230.40 to Fund 3000-Development Services, Cost Recovery account; and,

E. Authorizing the City Manager to execute the necessary agreements.

Management Analyst Leah BROWN briefly discussed the Professional Services Agreement with De Novo Planning Group and a Deposit and Reimbursement Agreement with The Dominion Village at Merced LLC for the Old Dominion Annexation project.

Clerk's Note: There was no Council discussion.

Clerk's Note: This Agenda Item required five affirmative votes from Council.

A motion was made by Mayor Pro Tempore Boyle, seconded by Council Member Dupont, that this agenda item be approved. The motion carried by the following vote:

Aye: 7 - Mayor Serratto, Mayor Pro Tempore Boyle, Council Member Dupont, Council Member DeAnda, Council Member Harris, Council Member Smith, and Council Member Xiong

No: 0

Absent: 0

K.5. **SUBJECT:** Authorization to Submit a Joint Application with CC915 Merced to the Central Valley Opportunity Fund for a $150,000 Matching Grant and Authorization to Accept, Execute, and Appropriate that Grant, If Awarded, to the 73 South R Street Affordable Veterans Container Home Project

REPORT IN BRIEF

Considers authorizing the joint application with CC915 Merced and grant agreement to the Central Valley Opportunity Fund (CVOF) for a $150,000 matching grant. Authority to accept, execute, and appropriate that grant, if awarded, to the 73 South R Street affordable veterans container home project.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving the submission of a joint application with CC915 Merced to the CVOF for a matching grant of $150,000 towards a 100% affordable housing project at 73 South R Street; and,

If awarded,

B. Authorizing to accept, increase revenue, and appropriate grant funds up to $150,000 in Fund 2016-Homekey CC915 for the 73 South R Street affordable housing project; and,

C. Approving the use of pooled cash until reimbursement from the grant is received if awarded; and,

D. Authorizing the City Manager to execute necessary agreements upon City Attorney's Approval As To Form.

Management Analyst Leah BROWN briefly discussed the authorization to submit a joint application with CC915 Merced to the Central Valley Opportunity Fund for the 73 South R Street Affordable Veterans Container Home Project.

Council, Mrs. BROWN, and City Manager Scott MCBRIDE discussed the details of the proposed grant, the Subordination Agreement required by the grant, the amount of the loan, and details of the project.

Clerk's Note: This Agenda Item required five affirmative votes from Council.

A motion was made by Mayor Pro Tempore Boyle, seconded by Council Member Harris, that this agenda item be approved. The motion carried by the following vote:

Aye: 7 - Mayor Serratto, Mayor Pro Tempore Boyle, Council Member Dupont, Council Member DeAnda, Council Member Harris, Council Member Smith, and Council Member Xiong

No: 0

Absent: 0

K.6.

SUBJECT: Land Use Determination #25-01 - Finding of Public Convenience or Necessity for Abraham Santana, for Alcohol Sales for On- and Off-Site Consumption for Una Mas Taproom at 420 West Main Street

REPORT IN BRIEF

This report provides options for the City Council to consider making a Finding of Public Convenience or Necessity (PCN), as required by the Department of Alcoholic Beverage Control (ABC) to issue a Type 40 alcohol license (allowing the sale of beer for on-site or off-site consumption) for Una Mas Taproom, located at 420 West Main Street. This alcohol license allows people of all ages (including minors), as allowed by the State Department of Alcoholic Control. This license type also requires that the business provide appetizers and snacks. The applicant will be remodeling the exterior and interior of the building. The exterior 3D rendering is found at Attachment 10, and interior design concepts are found at Attachment 11.

RECOMMENDATION

City Council - Adopt a motion approving the Finding of Public Convenience or Necessity to allow Una Mas Taproom, located at 420 West Main Street to obtain a Type 40 license, allowing the sale of beer for on-site and off-site consumption (Option #1 as shown in the "Council Action" section of this Administrative Report).

Acting Principal Planner Francisco MENDOZA and Assistant Planner Matt LIVINGSTON gave a slideshow presentation on the Land Use Determination #25-01, the finding of public convenience or necessity for a Type 40 ABC license for Una Mas Taproom.

Abraham SANTANA, Applicant, Merced - thanked City staff for their work on the proposed project.

Council Member XIONG and City Manager Scott MCBRIDE discussed the sale of alcohol off-site and other businesses that sell alcohol off-site.

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

Aye: 7 - Mayor Serratto, Mayor Pro Tempore Boyle, Council Member Dupont, Council Member DeAnda, Council Member Harris, Council Member Smith, and Council Member Xiong

No: 0

Absent: 0

L. REPORTS

L.1.

SUBJECT: Update Regarding Stop Gap Aid Agreement for Fire Services and Emergency Operations Coordination Between the City of Merced and Merced County

REPORT IN BRIEF

Update regarding the Stop Gap Aid Agreement for Fire Services and Emergency Operations Coordination between the City of Merced and Merced County for the period of January 1, 2025, to June 30, 2025.

Interim Fire Chief Casey WILSON gave a slideshow presentation on the Stop Gap Aid Agreement between the City of Merced and Merced County for fire services and emergency operations.

Council and Mr. WILSON discussed the high volume use of Engine 55 running additional calls, staffing under the Stop Gap Aid Agreement, the financial model, the average response time, the calls that the Merced Fire Department is responding to, the SAFER staffing, the area that Merced Fire Department is covering for Merced County, and shared updates on the Communication-Aided Dispatch system.

Merced County Supervisor Josh PEDROZO, Merced - thanked City staff for their collaboration with the Stop Gap Aid Agreement, spoke on the community's safety, and details of the agreement.

Council and Mr. WILSON discussed the revenue that the City received from the agreement, the cost that the Merced Fire Department accrued while assisting Merced County, the term of the agreement, the impact on City services and citizens, the First Responder funding the City receives from Merced County, delay times, and of the Automatic Aid success story.

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

M. BUSINESS

Clerk's Note: Council took a recess at 8:54 PM and reconvened at 9:03 PM

Clerk's Note: Council Member DEANDA left the Regular Meeting at 9:01 PM.

M.1. **SUBJECT:** Anti-Slumlord Ordinance Discussion

REPORT IN BRIEF

City Council previously expressed interest in exploring a potential "Anti-Slumlord Ordinance" as an alternative to the previously proposed Rental Housing Maintenance and Inspection Program, which was not adopted. The Council requested that staff review a model adopted in another jurisdiction-specifically, the City of Fresno-as a potential framework.

RECOMMENDATION

Provide direction to staff on next steps.

City Attorney Craig CORNWELL gave a slideshow presentation on the Anti-Slumlord Ordinance discussion.

Council and Mr. CORNWELL discussed focusing on bad landlords, potentially including administration findings, and potentially hosting a

Community Focus Group.

Ashley SUAREZ, Merced - spoke on current housing challenges in the community, the impact of reporting to Code Enforcement, and suggested a Rental Registry and Inspection Program in the City.

Council, Mr. CORNWELL, and Chief of Police Steven STANFIELD discussed focusing on accountability, impacting City resources, the issues with tenant relocation, how feasible the potential program would be for the City, the resources that the Code Enforcement Department provides, the impact on Code Enforcement Officers, the legal tools that could assist the program, and potential direction from Council.

Council agreed to generally support to focus on the "bad actors," holding them accountable, and enhance penalties against "bad actors."

M.2. **SUBJECT:** Council Member Harris' Request to Discuss Blighted Property Enforcement

REPORT IN BRIEF

Council Member Harris requested a discussion on whether the City needs a specific "Blighted Property Ordinance" to better address nuisance properties. This memo outlines the City's existing legal framework under the Merced Municipal Code, as well as available enforcement tools including receivership and administrative fines.

RECOMMENDATION

Provide direction to staff on next steps.

City Attorney Craig CORNWELL briefly discussed the City's existing legal framework and available enforcement tools for blighted properties and details of the Blighted Property Ordinance.

Council Member HARRIS briefly discussed specific blighted properties in the City, how City staff quickly improved two properties of concern, and combining the Blighted Property Ordinance with the Anti-Slumlord Ordinance.

Erick SERRATO, Downtown Association, Merced - spoke in support of a Blighted Property Ordinance, accountability of blighted homes in downtown Merced, shared details of a future meeting with the Downtown Association, and thanked Council Member HARRIS for bringing this item for discussion.

Council, Mr. CORNWELL, City Manager Scott MCBRIDE, and Chief of

Police Steven STANFIELD discussed continuing work on the Merced Municipal Code chapter 8.40 and habitual offending landlords, the current process for resolving blighted properties, the amount of time the process Code Enforcement Division spends on the process, and details of the Vacant Building Ordinance.

Clerk's Note: There was no formal vote taken or direction given to City staff.

M.3. **SUBJECT:** Mayor Serratto's Request to Discuss a Potential Ballot Measure for the 2026 General Election

REPORT IN BRIEF

Mayor Serratto's request to discuss adding a ballot measure to the 2026 General Election.

RECOMMENDATION

Provide direction to staff on the next steps.

Mayor SERRATTO discussed the request for a potential ballot measure for the 2026 General Election.

Council and City Manager Scott MCBRIDE discussed the different kinds of ballot measures that would assist the City financially, the needs of the Parks and Community Services Department, outreach options, discussing the potential ballot measure with the Subcommittee, the process of placing a ballot measure on an election, discussion to authorize polling, different kinds of ballot measures or bonds, and options to include in the potential ballot measure.

Council agreed to direct City staff to come back with a proposal and to continue discussion as a Subcommittee.

M.4. **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 SMITH requested the City Manager to add a gray water recap to the Utility Subcommittee.

Council Member HARRIS shared details of a resident who used non-emergency vehicle transportation and requested to discuss a potential

Ordinance that requires an estimate for non-emergency vehicle transportation.

A motion was made by Council Member Harris, seconded by Council Member Xiong, to expedite Council Member Harris' request to the August 18th Council Meeting. The motion carried by the following vote:

Aye: 5 - Mayor Serratto, Mayor Pro Tempore Boyle, Council Member Harris, Council Member Smith, and Council Member Xiong

No: 1 - Council Member Dupont

Absent: 1 - Council Member DeAnda

Mayor SERRATTO requested to discuss the annexation of County islands in the City limits.

Council and City Manager Scott MCBRIDE discussed the current work on annexing County islands, potentially creating a Council Subcommittee, community outreach, details of the process of annexation, bringing an information only item to Council with the City's update on annexing, and requiring a second before bringing it to a future Council meeting.

Mr. MCBRIDE stated that City staff can bring this request to Council at the September 2nd meeting.

M.5. **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 HARRIS reported on attending the Mercy Family Practice Ribbon Cutting Ceremony, the Mercado Night, the Merced Pal Opening, the Christmas in July Fundraiser, Valley Tech Lodging Ribbon Cutting, and the Main Street Re-opening.

Mayor Pro Tempore BOYLE spoke on being a judge for the YPN Rib Cook Off, reported on attending the Merced Pal Opening, and the Main Street Re-opening.

N. ADJOURNMENT

Clerk's Note: The Regular Meeting was adjourned at 10:12 PM.

A motion was made by Mayor Pro Tempore Boyle, seconded by Council Member Dupont, that this Regular Meeting be adjourned. The motion carried by the following vote:

Aye: 6 - Mayor Serratto, Mayor Pro Tempore Boyle, Council Member Dupont, Council Member Harris, Council Member Smith, and Council Member Xiong

No: 0

Absent: 1 - Council Member DeAnda