



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, February 18, 2025

6:00 PM

A. CLOSED SESSION ROLL CALL

Present: 6 - Mayor Matthew Serratto, Mayor Pro Tempore Sarah Boyle, Council Member Darin Dupont, Council Member Michael Harris, Council Member Shane Smith, and Council Member Fue Xiong

Absent: 1 - Council Member Ronnie DeAnda

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 at 5:05 PM.

B.1. **SUBJECT:** PUBLIC EMPLOYEE PERFORMANCE EVALUATION -
Title: City Manager; Authority: Government Code Section 54957

B.2. **SUBJECT:** PUBLIC EMPLOYEE PERFORMANCE EVALUATION -
Title: Finance Officer; Authority: Government Code Section 54957

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

C. CALL TO ORDER

Mayor SERRATTO called the Regular Meeting to order at 6:03 PM.

C.1. Invocation - Lamar Henderson, Human Services Agency (All Dads Matter)

The Invocation was delivered by Lamar HENDERSON from All Dads Matter.

C.2. Pledge of Allegiance to the Flag

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

D. ROLL CALL

- Present:** 6 - Mayor Matthew Serratto, Mayor Pro Tempore Sarah Boyle, Council Member Darin Dupont, Council Member Michael Harris, Council Member Shane Smith, and Council Member Fue Xiong
- Absent:** 1 - Council Member Ronnie DeAnda

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. WRITTEN PETITIONS AND COMMUNICATIONS

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

Agenda Item H.2.: Hal SHURTLEFF.

Agenda Item L.1.: Belinda BURNETT, Jeffrey CARTER, and Steven DONAHUE.

G. PUBLIC COMMENT

Director of Recreation and Community Services Christopher JENSEN, Merced - spoke on the logo that was stolen at the Merced Applegate Park Zoo and thanked the Merced Police Department and the community for their encouragement.

Tsia XIONG, Merced - shared details of the Hmong Model Curriculum Kick Off, Celebration Event, and the calendar created by the Hmong youth community.

Henry HICKMAN, Merced - encouraged Council for a proposed sanctuary city and spoke on the federal funding that the City receives.

Steven RUTH, Merced - voiced support for a sanctuary city and spoke on the immigrants in the community.

H. CONSENT CALENDAR

Agenda Item H.2. Adoption of a Resolution to Display the Council Approved Commemorative Flag at Bob Hart Square per City Council

Policy C-7; was pulled for separate consideration.

Approval of the Consent Agenda

A motion was made by Mayor Pro Tempore Boyle, seconded by Council Member Harris, to approve the Consent Agenda. 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

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.3. **SUBJECT:** Approval of an Investment Management Agreement with Chandler Asset Management Inc. to Provide Investment Portfolio Management Services for Three Years with an Additional Two One (1) Year Extensions

REPORT IN BRIEF

Considers approval of an Investment Management Agreement with Chandler Asset Management Inc. to provide investment portfolio management services for three years with an additional two one-year extensions.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving an Investment Management Agreement with Chandler Asset Management Inc. for Investment Portfolio Management Services for three years with an additional two one-year extensions; and,

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

This Consent Item was approved.

H.4.

SUBJECT: Approval of Salary Tables for the Years 2023 and 2024 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 Tables for the Years 2023 and 2024 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 2025-09**, a Resolution of the City Council of the City of Merced, California approving the City-Wide Salary Tables for 2023 and 2024; and,

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

This Consent Item was approved.

H.5.

SUBJECT: Approval of Funds of \$200,000 from Fund 2513 - Low Moderate-Income Housing to Complete the 73 South R Street - CC915 Merced, Inc. Affordable Container Home Project

REPORT IN BRIEF

Considers approving funds of \$200,000 from Fund 2513 - Low Moderate-Income Housing to complete the 73 South R Street - CC915 Merced, Inc. affordable container home project.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving funds of \$200,000 from Fund 2513-Low Moderate-Income Housing, to CC915 Merced, Inc. towards a 100% affordable housing project at 73 South R Street and issuing them a letter of commitment; and,

B. Authorizing the drafting of funding contribution agreements and covenants for Council approval at a later meeting.

This Consent Item was approved.

H.6.

SUBJECT: Approve the Purchase of Parts, Equipment, and Supplies as Necessary for Public Works Fleet Maintenance and Operations Through June 30, 2025

REPORT IN BRIEF

Considers approving the purchase of various parts, equipment, and supplies for Public Works maintenance and operations for Fiscal Year 2024/2025.

RECOMMENDATION

City Council - Adopt a motion:

- A. Waiving the City's competitive bidding requirement as permitted by Merced Municipal Code Section 3.4.210 for annual supplies and services; and,
- B. Approving the purchase up to \$60,000 with Belcorp AG LLC through June 30, 2025; and,
- C. Approving the purchase up to \$75,000 with Ray Gaskin Service through June 30, 2025; and,
- D. Authorizing the City Buyer to issue the Purchase Orders.

This Consent Item was approved.

H.7.

SUBJECT: Approval to Waive the Competitive Bidding Requirements and Approval of Agreement for Professional Services with Trojan Technologies Group ULC for Programming, Software, Licensing, and Parts Necessary for Improvements to the Trojan 3000 Plus Ultraviolet Disinfection System at the Wastewater Treatment Facility, Capital Project CP250065, in the Amount not to Exceed \$280,153.69

REPORT IN BRIEF

Considers waiving the City's competitive bidding requirements pursuant to Merced Municipal Code Section 3.04.210 and approving the purchase of various parts, supplies, and services for the wastewater treatment facility needed to improve and maintain the UV disinfection system through manufacturer supplied parts and service.

RECOMMENDATION

City Council - Adopt a motion:

A. Waiving the City's competitive bidding requirement as permitted by Merced Municipal Code Section 3.04.210 for sole source purchases; and,

B. Approving a Design Agreement for Professional Services with Trojan Technologies Group ULC, for Programming, Software, Licensing, and Parts Necessary for Improvements to the Trojan 3000 plus Ultraviolet Disinfection System at the Wastewater Treatment Facility in the amount not to exceed \$280,153.69; and,

C. Authorizing the City Manager to execute the necessary documents or contracts that are approved as to form by the City Attorney.

This Consent Item was approved.

H.8.

SUBJECT: Second Reading and Final Adoption of an Ordinance Amending Chapter 1.17 Entitled City Council Districts Adding the UC Merced Annexation Area and the Virginia Smith Trust (VST) Annexation Area to City Council District 6 of the Council District Map

REPORT IN BRIEF

Second reading and final adoption Ordinance amending Chapter 1.17 adding the newly UC Merced Annexation area and the newly Virginia Smith Trust Annexation area to City Council District 6 of the Council District map.

RECOMMENDATION

City Council - Adopt a motion adopting **Ordinance 2576**, an Ordinance of the City Council of the City of Merced, California, Amending Chapter 1.17 Entitled "City Council Districts" of the Merced Municipal Code.

This Consent Item was approved.

H.2.

SUBJECT: Adoption of a Resolution to Display the Council Approved Commemorative Flag at Bob Hart Square per City Council Policy C-7

REPORT IN BRIEF

Considers adopting a Resolution to display a Council approved

commemorative flag in Bob Hart Square per the City Council Policy C-7.

RECOMMENDATION

City Council - Adopt a motion approving **Resolution 2025-10**, a Resolution of the City Council of the City of Merced, California, authorizing the display of a commemorative flag on the City flagpole in Bob Hart Square from April 11, 2025 to May 9, 2025.

Mayor SERRATTO pulled this item at the request of Council Member XIONG and residents.

Caleb MEDEFIND, The Barn Church, Merced - spoke on the Christian faith, thanked the supporters of the Merced Community, and requested to amend the dates to April 4, 2025, to May 5, 2025.

LaTonya RICHARD, Merced - spoke in opposition of flying the Christian Flag and details of the history of African American citizens in the United States.

Henry HICKMAN, Merced - spoke in opposition of flying the Christian Flag and history of the Christian faith.

Council, Assistant City Clerk Jennifer LEVESQUE, and City Attorney Craig CORNWELL discussed the display of the Christian Flag, discrepancies on the proposed Resolution, the process of amending the dates, the request to discuss the City Council Policy C-7, details of the City Council Policy C-7, Freedom of Speech of the community, potentially violating the First Amendment, and the history of flag requests in the past years.

A motion was made by Council Member Smith, seconded by Council Member Dupont, to approve the Resolution, amending the dates to fly the Christian Flag to April 4, 2025 to May 5, 2025 as requested by the community. The motion carried by the following vote:

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

No: 1 - Council Member Xiong

Absent: 1 - Council Member DeAnda

I. PUBLIC HEARINGS

I.1.

SUBJECT: Public Hearing - Introduction and Review of the Draft U.S. Department of Housing and Urban Development (HUD) 2025-2029 Five Year Consolidated Plan and 2025 First Year Annual Action Plan; and

Receipt of Public Comment for the Public Hearing

REPORT IN BRIEF

Presentation and discussion of the HUD 2025-2029 Consolidated Plan and 2025 First-Year Annual Action Plan; and Opportunity for Public Participation and Comment.

RECOMMENDATION

City Council -

A. Conduct a public hearing to receive public input regarding the preliminary draft of the 2025-2029 Five Year Consolidated Plan and 2025 First Year Annual Action Plan document; and,

B. Provide comment, if any, on the recommended distribution of five-year goals, objectives, and priorities as determined by the needs assessment outreach conducted to-date.

Housing Program Supervisor Kim NUTT and Consultant Susie KIM gave a slideshow presentation on the 2025-2029 Consolidated Plan and the 2025 Annual Action Plan.

Mayor SERRATTO opened the Public Hearing at 6:43 PM.

Ashley SUAREZ, Leadership Counsel, Merced - spoke on potential investments for CDBG and HOME funds such as, sidewalks on South Canal Street and Gerard Avenue, public lighting on Winder Avenue, water connections extensions without required annexations, a grocery store in South Merced, more shelters, more First Time Home Buyer and Housing Programs, and Rental Assistance Programs.

LaTonya RICHARD, Merced - spoke on a Rental Registry, accountability for landlords, and the health issues she obtained from rental properties in Merced.

Maria CALDERON, Merced - spoke on issues in South Merced, well contamination, and installing filters.

Mayor SERRATTO closed the Public Hearing at 6:53 PM.

Council, Ms. NUTT, and City Manager Scott MCBRIDE discussed the public comment period, Council's required action, details of the Street Light Project, details of the various sidewalk projects in South Merced, details of a potential Rental Registry, well-site jurisdictions, details of the

public service information, details of the Consolidated Plan Goals Programs for the year 2020 to 2024, potentially investing in Youth Jobs, Housing and Urban Development's requirements for programs, and the priorities of the 2025 Annual Action Plan.

Clerk's Note: There was no formal vote taken, item was heard to provide Council and public comments.

J. ACTION ITEMS

J.1.

SUBJECT: Accepting and Appropriating Grant Funding in the Amount of \$2,500 for FY 2024-2025 from Merced County First 5- Community Engagement Event Sponsorship Program for Free Fundamental Basketball Clinics for Tiny Tots

REPORT IN BRIEF

Considers accepting and appropriating grant funding in the amount of \$2,500 from First 5 Merced County Fundamental Basketball Clinic for Tiny Tots to expand no cost recreational programming to youth.

RECOMMENDATION

City Council - Adopt a motion:

A. Accepting grant funds from First 5 Merced County and increasing revenue in Fund 1018-Parks and Community Service, Contribution Account in the amount of \$2,500; and,

B. Appropriating the same in Fund 1018-Parks and Community Service, Operating Materials, Services and Supplies; and,

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

Director of Parks and Community Services Chris JENSEN briefly discussed the acceptance and appropriation of grant funding received by First 5 for a Community Engagement Event.

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 Dupont, Council Member Harris, Council Member Smith, and Council Member Xiong

No: 0

Absent: 1 - Council Member DeAnda

J.2.

SUBJECT: Mid-Year Budget Review for Fiscal Year 2024-2025,
General Fund Supplemental Appropriations in the Amount of \$405,158
and Budget Amendments in Various Funds

REPORT IN BRIEF

Presents the Fiscal Year 2024-2025 Mid-Year Financial Report, seeks approval of General Fund Supplemental Appropriations in the amount of \$405,158 and Budget Amendments in Various Funds.

RECOMMENDATION

City Council - Adopt a motion:

- A. Approving the deletion of one Development Associate position and adding one Economic Development Administrator; and,
- B. Approving the deletion of one Park Worker I/II position and adding one Recreation Field and Facility Worker; and,
- C. Approving **Resolution 2025-11**, A Resolution of the City Council of the City of Merced, California, Amending the Classification Plan by Updating the Personnel Allocation in the Economic Development Department by Deleting one Economic Development Associate Position and Adding one Economic Development Administrator position; the Parks and Community Services Department by Deleting one Park Worker I position and adding one Recreation Field and Facility Worker Position; and,
- D. Approving **Resolution 2025-12**, A Resolution of the City Council of the City of Merced, California, Adopting the Salary Range for the Economic Development Administrator Position within the Economic Development Department and Recreation Field and Facility Worker Position within the Parks and Community Services Department; and,
- E. Approving a Supplemental Appropriation from the unreserved, unencumbered fund balance in Fund 2003- Measure Y Fire Department in the amount of \$52,000; and,
- F. Approving an increase in General Fund Communications Division

revenue account 10003530-431002 Cost Recovery in the amount of \$35,158 and appropriating the same to 10003530-511002 Telephone for maintenance of 911 phone system; and,

G. Approving a Supplemental Appropriation from the unreserved, unencumbered General Fund balance in the amount of \$30,000, transferring to Fund 3002-Bell Station and appropriating the same for utility expenditures; and,

H. Approving a Supplemental Appropriation from the unreserved, unencumbered fund balance of Fund 2004-Measure Y Parks and Recreation in the amount of \$16,620, transferring to Fund 1018-Parks and Community Services and appropriating the same for aquatics and minimum wage increase; and,

I. Approving a Supplemental Appropriation from the unreserved, unencumbered General Fund balance in the amount of 340,000 and transferring to Fund 7002-Worker's Compensation and appropriating the same; and,

J. Approving a Supplemental Appropriation from the unreserved, unencumbered fund balance of Fund 2001-Measure C in the amount of 339,275 and transferring to Fund 7002-Worker's Compensation and appropriating the same; and,

K. Approving a Supplemental Appropriation from the unreserved, unencumbered fund balance of Fund 4503-CFD-Police in the amount of 100,000 and transferring to Fund 7002-Worker's Compensation and appropriating the same; and,

L. Approving a Supplemental Appropriation from the unreserved, unencumbered fund balance of Fund 2002-Measure Y-Police in the amount of 50,000 and transferring to Fund 7002-Worker's Compensation and appropriating the same; and,

M. Approving a transfer in the amount of 39,730 from Fund 6002 Refuse Operations to Fund 7002-Worker's Compensation and appropriating the same; and,

N. Approving a transfer in the amount of 18,995 from Fund 6000 Wastewater Operations to Fund 7002-Worker's Compensation and appropriating the same; and,

O. Authorizing the Finance Officer to make any necessary budget

adjustments.

Finance Officer Venus RODRIGUEZ gave a slideshow presentation on the Mid-Year Budget review for fiscal year 2024 to 2025.

Council, Mrs. RODRIGUEZ, and City Manager Scott MCBRIDE discussed the impact of the Police Department's staffing, details of the Economic Development Administrator position, details of the funding being used for the 911 Phone System, details of the total salary amount for the Economic Development Administrator position, and details of the funding used for Workers Compensation claims.

Mrs. RODRIGUEZ gave a slideshow presentation on the Federal Funding received by the City.

Council and Mrs. RODRIGUEZ discussed details of the allocation to the outstanding funds and program funding that has been allocated.

Clerk's Note: Recommendations E-O required five affirmative votes from Council.

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: 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

K. REPORTS

Clerk's Note: Council took a recess at 7:42 PM and reconvened at 7:51 PM.

K.1.

SUBJECT: Report on Programs Within the Draft Housing Element, Public Input Received, and Seek Council Direction Regarding Requests for Additional Programs from the Public

REPORT IN BRIEF

Review programs within the Draft Housing Element, Public Input received and seek Council direction on the inclusion of additional programs from the public.

RECOMMENDATION

Review and provide policy direction to staff.

Management Analyst Leah BROWN gave a slideshow presentation on the Draft Housing Element Programs report.

Ashley SUAREZ, Merced - spoke on missing components in Program 1 that improved the quality of life for the community and prioritizing low income housing and at-risk housing.

Council, City Manager Scott MCBRIDE, and Mrs. BROWN discussed considering conversations with the Housing Subcommittee, the progress on the proposed goals, the goal to collaborate regionally, details of the plan for homelessness, details of parking requirements, and the community's ideas on the proposed Housing Element Programs. They also discussed public forums held, details of adding a program, penalty of a program not meeting its goal, the difference between a Housing Element program and a policy, details of all the programs listed in each Housing Element sections, and potentially discussing each Housing Element section in the Housing Subcommittee.

Council agreed to hold discussions offline regarding the programs listed, proceed with the programs listed in staff's presentation as is, and document that Council will be discussing current programs at future Council meetings.

L. BUSINESS

L.1.

SUBJECT: Council Member Smith's Request to Discuss the City Council Policy C-7 Display of Flags at City Facilities

REPORT IN BRIEF

Council Member Smith's request to discuss City Council Policy C-7 Display of Flags at City Facilities.

RECOMMENDATION

Provide direction to staff on the next steps.

Council Member SMITH gave a slideshow presentation on the discussion to amend City Council Policy C-7 (Flag Display).

Council, City Attorney Craig CORNWELL, and Assistant City Clerk Jennifer LEVESQUE discussed a potential litigation exposure, taking down the Request to Display a Commemorative Flag form from the city's website, details of City Council Policy C-7, potentially ending the flag policy practice, moving the location of the display of flag, sending the proposed

amended policy to staff, placing the flag request discussion to Council in October, the process for Council Member Smith's red-lined policy, public communication, and details of Council's recommendation to staff.

Council agreed to remove the Request to Display a Commemorative Flag form from the city's website, to send the red-lined version of the C-7 Policy, the presentation, and discussions held during the Council meeting regarding this item to the City Attorney's Department, and to come back with a suggested version of the City Council Policy C-7 with perhaps consultation from Council Member SMITH and two other members of the Council.

L.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 SMITH requested a report on the Downtown Arts District and the vacant building ordinance in 60 days.

City Attorney Craig CORNWELL briefly discussed the vacant building ordinance.

L.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.

Council Member SMITH thanked Council for the discussions held at the Council meeting.

Council Member HARRIS congratulated UC Merced for their R1 Research and reported on attending several Subcommittee meetings, the District 1 Town Hall, the PBID Clean and Safe Initiative Kick Off, a Youth Council meeting, and the Strategic Planning Session Meeting.

Council Member DUPONT expressed his gratitude to Department of Parks and Community Services Chris JENSEN and his department and spoke on the Applegate Zoo sign being stolen.

Council Member HARRIS and Mayor Pro Tempore BOYLE offered a reward to return the Applegate Zoo Sign to the City of Merced.

M. ADJOURNMENT

Clerk's Note: The Regular Meeting was adjourned at 9:26 PM.

A motion was made by Council Member Dupont, seconded by Council Member Smith, to adjourn in the memory of Michael Sullivan. 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