



# CITY OF MERCED

City Council Chambers  
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, September 21, 2015

7:00 PM

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#### A. STUDY SESSION ROLL CALL

**Clerk's Note:** Mayor THURSTON did not attend the official roll call but was present for the Study Session held at the UC Merced Venture Labs.

**Present:** 7 - Mayor Stanley P. Thurston, Mayor Pro Tempore Joshua Pedrozo, Council Member Michael Belluomini, Council Member Kevin Blake, Council Member Tony Dossetti, Council Member Noah Lor, and Council Member Mike Murphy

**Absent:** 0

#### B. STUDY SESSION

Mayor Pro Tempore PEDROZO called the Study Session to order at 5:34 pm.

##### B.1. Tour of UC Merced's Venture Labs Small Business Development Center

Council visited the UC Merced Venture Lab located at 1735 M Street for a tour of the new facility.

**Clerk's Note:** The Study Session adjourned at 6:20 pm.

#### C. CLOSED SESSION ROLL CALL

**Clerk's Note:** Council Member LOR arrived at 6:26 pm.

**Present:** 7 - Mayor Stanley P. Thurston, Mayor Pro Tempore Joshua Pedrozo, Council Member Michael Belluomini, Council Member Kevin Blake, Council Member Tony Dossetti, Council Member Noah Lor, and Council Member Mike Murphy

**Absent:** 0

#### D. CLOSED SESSION

Mayor THURSTON called the Closed Session to order at 6:23 pm.

##### D.1. SUBJECT: CONFERENCE WITH LEGAL COUNSEL - Significant

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Exposure to Litigation: (1) Case; Authority: Government Code Section  
54956.9

**Clerk's Note:** Council adjourned from Closed Session at 6:47 pm.

## E. CALL TO ORDER

Mayor THURSTON called the Regular Meeting to order at 7:00 pm.

E.1. Invocation - Pastor Gregory Boyd, Calvary Chapel of Merced

The invocation was delivered by Pastor Gregory Boyd of Calvary Chapel of Merced.

E.2. Pledge of Allegiance to the Flag

## F. ROLL CALL

**Present:** 7 - Mayor Stanley P. Thurston, Mayor Pro Tempore Joshua Pedrozo, Council Member Michael Belluomini, Council Member Kevin Blake, Council Member Tony Dossetti, Council Member Noah Lor, and Council Member Mike Murphy

**Absent:** 0

F.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 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 Public Financing and Economic Development Authority receive no compensation.

## G. REPORT OUT OF CLOSED SESSION

There was no report out of Closed Session.

## H. WRITTEN PETITIONS AND COMMUNICATIONS

There were no written petitions or communications.

## I. ORAL COMMUNICATIONS

Linda HINSHAW, Merced - commented on large trucks parked on an empty lot near her home.

Nancy YOUNG-BERGMAN, Merced - spoke on the Livingston Sweet Potato Festival.

Monica VILLA, Merced - spoke on the Homeless Connect.

## J. CONSENT CALENDAR

Items J.3. Information Only - Site Plan Review Committee Minutes of July 16, 2015, J.8. 2016 Medicare Eligible Retiree Medical Benefits, J.13. Reject All Bids for the Stephen Leonard Park Renovation Project 115045, and J.16. Consider Technical Amendment to the 2015 HUD Annual Action Plan Funding Project 116035 for the Construction of the B Street Sidewalks and Ramps with Community Development Block Grant Funds in the Amount of \$224,301 were pulled for separate consideration.

### Approval of the Consent Agenda

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

**Aye:** 7 - Mayor Thurston, Mayor Pro Tempore Pedrozo, Council Member Belluomini, Council Member Blake, Council Member Dossetti, Council Member Lor, and Council Member Murphy

**No:** 0

**Absent:** 0

**J.1.**                    **SUBJECT:** Information Only-Planning Commission Minutes of July 22, 2015

This Consent Item was approved.

**J.2.**                    **SUBJECT:** Information Only - Independent Districting Advisory Committee Minutes of March 19, April 9, April 16, May 5, May 19, May 30, July 7, July 22, August 1, August 4, August 19 and September 1, 2015

This Consent item was approved.

**J.4.**                    **SUBJECT:** Information Only - Traffic Committee Minutes of July 14, 2015

This Consent Item was approved.

**J.5.**                    **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.**

**J.6.**

**SUBJECT:** Amendment to Lease with T. Kaljian Real Estate

**REPORT IN BRIEF**

Amend lease with T. Kaljian Real Estate for 460 Grogan Avenue, increasing lease rate from 37.22 cents per square foot to 44 cents per square foot

**RECOMMENDATION**

**City Council** - Adopt a motion amending lease with T. Kaljian Real Estate for 460 Grogan Avenue, increasing the lease rate from 37.22 cents per square foot to 44 cents per square foot, for months 37 through 60, commencing in March 2016.

**This Consent item was approved.**

**J.7.**

**SUBJECT:** 2016 Cafeteria Plan Renewal

**REPORT IN BRIEF**

Considers approving the renewal of the 2016 Cafeteria Plan regarding employees' health and welfare benefits.

**RECOMMENDATION**

**City Council** - Adopt a motion approving the employees' health and welfare benefits cafeteria plan renewal for calendar year 2016 and authorizing the City Manager to execute the necessary documents.

**This Consent Item was approved.**

**J.9.**

**SUBJECT:** Authorize Change to Personnel Allocation in the Water Division of the Public Works Department

**REPORT IN BRIEF**

Delete one vacant Water Systems Technician I/II position and add one Lead - Public Works Water position to be filled by an internal recruitment.

**RECOMMENDATION**

**City Council** - Adopt **Resolution 2015-39**, A Resolution of the City Council of the City of Merced, California, Amending the Classification Plan by Amending the Personnel Allocation in the Water Division of the Public Works Department by Deleting One Water Systems Technician I/II Position and adding one Lead - Public Works Water Position.

**This Consent Item was approved.**

**J.10.**

**SUBJECT:** Agreement for Professional Services with AECOM Technical Services, Inc., for Well Site Design Services, Project No. 113026

**REPORT IN BRIEF**

Authorizes an agreement for well design services for production Well 21 at the intersection of Bellevue Road and G Street.

**RECOMMENDATION**

**City Council** - Adopt a motion approving an agreement for professional services with AECOM Technical Services, Inc., in the amount of \$287,783 for engineering design services; and, authorizing the City Manager to execute the necessary documents.

**This Consent Item was approved.**

**J.11.**

**SUBJECT:** Introduction of an Ordinance Dealing with No Parking Zones, Two-Way Stop Intersections, and Stop Intersections Designated

**REPORT IN BRIEF**

Consider recommendations from the Traffic Committee approving the addition of a no parking zone adjacent to the driveway entrance of 672 East Alexander Avenue, the addition of a two-way stop intersection on Ballantyne Drive at Laughlin Lane, changing the four-way stop to a two-way stop on K Street at West 21st Street, and correction of the Merced Municipal Code to include the all-way stop intersection at E.S. Bear Creek Drive and Glen Avenue.

**RECOMMENDATION**

**City Council** - Adopt a motion introducing **Ordinance 2448**, an Ordinance of the City Council of the City of Merced, California, Amending Section 10.28.230, "No Parking Zones", Section 10.28.370, "Two-Way Stop Intersections", and Section 10.28.380, "Stop Intersections Designated" of the Merced Municipal Code.

This Consent Item was approved.

J.12.

**SUBJECT:** Award Bid to St. Francis Electric, LLC, for the CMAQ Traffic Synchronization Project 113066 (5085-035) and Authority for Sole Source Purchase of Central Traffic Control System

**REPORT IN BRIEF**

Consider awarding a construction contract in the amount of \$226,717.50 to St. Francis Electric for the traffic signal synchronization of G Street bounded by 16th Street and Yosemite Avenue, and 16th Street bounded by R and G Streets. Also authorizes the sole source purchase of equipment and software necessary to complete the project.

**RECOMMENDATION**

**City Council** - Adopt a motion:

- A. Awarding the bid for the CMAQ Traffic Synchronization, Project 113066 (5085-035), to St. Francis Electric, LLC, in the amount of \$226,717.50; and,
- B. Authorizing the City Manager to execute the necessary documents and to approve change orders not to exceed 10% of the total construction contract; and,
- C. Waiving the competitive bid requirements as stated in Section 3.04.210 of the Merced Municipal Code for the Sole Source Purchase of a Central Traffic Control System; and,
- D. Authorizing the City Buyer to issue a purchase order to Western Pacific Signal, LLC, not to exceed \$126,630.00 for the Central Traffic Control System.

This Consent Item was approved.

J.14.

**SUBJECT:** Memorandum of Understanding (MOU) with the County of Merced for the Ashby Road at 16th Street Intersection Improvement Project

**REPORT IN BRIEF**

Considers approving a MOU with the County of Merced for funding, design, bidding, and construction management of the future intersection improvement project at Ashby Road and 16th Street in Merced.

**RECOMMENDATION**

**City Council** - Adopt a motion approving the Memorandum of Understanding with the County of Merced for the Ashby Road at 16th Street Intersection Improvement Project; and, authorizing the City Manager to execute the necessary documents.

**This Consent Item was approved.**

**J.15.**

**SUBJECT:** Technical Amendment to Change the Funding Source for the Homeless Veteran's Project in the 2015 HUD Annual Action Plan

**REPORT IN BRIEF**

Consider approval of 1820 I Street Loan Agreement and HOME Note in the amount of \$224,700 to provide HOME funds from Fiscal Year's 2013/14 and 2014/15.

**RECOMMENDATION**

**City Council** - Adopt a motion:

- A. Approving a technical amendment to the 2015 HUD Annual Action Plan modifying the funding source of a previously approved project in the 2015 Housing and Urban Development (HUD) Annual Action Plan from Community Development Block Grant to HOME Investment Partnership Program; and,
- B. Authorizing the City Manager to approve minor or technical changes to the Fiscal Year 2015 Housing and Urban Development (HUD) Action Plan technical amendment (if needed to conform to other program activities) as described above and as attached to this report with all associated documents as necessary to implement the Council's actions.

**This Consent Item was approved.**

**J.3.**

**SUBJECT:** Information Only-Site Plan Review Committee Minutes of July 16, 2015

Council Member DOSSETTI pulled this item for clarification on the background checks.

City Manager BRAMBLE stated the Police Department would continue to complete them.

**A motion was made by Council Member Dossetti, seconded by Council Member Lor, that this agenda item be approved. The motion carried by the**

**following vote:**

**Aye:** 7 - Mayor Thurston, Mayor Pro Tempore Pedrozo, Council Member Belluomini, Council Member Blake, Council Member Dossetti, Council Member Lor, and Council Member Murphy

**No:** 0

**Absent:** 0

**J.8.**

**SUBJECT: 2016 Medicare Eligible Retiree Medical Benefits**

**REPORT IN BRIEF**

Considers approving replacement of the current inforce Medicare retiree medical plan with a group Medicare Advantage Plan sponsored by United HealthCare for all eligible retirees.

**RECOMMENDATION**

**City Council** - Adopt a motion approving replacement of the current inforce Medicare retiree medical plan with a group Medicare Advantage Plan sponsored by United HealthCare for all eligible retirees effective January 1, 2016, and authorizing the City Manager to execute the necessary documents.

Council Member BELLUOMINI pulled this item to praise staff.

Council Member DOSSETTI recused himself from this item.

Former Fire Chief Kenneth MITTEN, Merced - spoke in favor of this item.

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

**Aye:** 6 - Mayor Thurston, Mayor Pro Tempore Pedrozo, Council Member Belluomini, Council Member Blake, Council Member Lor, and Council Member Murphy

**No:** 0

**Absent:** 0

**Abstain:** 1 - Council Member Dossetti

**J.13.**

**SUBJECT: Reject All Bids for the Stephen Leonard Park Renovation Project 115045**

**REPORT IN BRIEF**

Consider rejecting all bids due to insufficient funding.

**RECOMMENDATION**

**City Council** - Adopt a motion rejecting all bids for the Stephen Leonard Park Renovation Project 115045 and directing staff to advertise the project for rebidding.

Council Member MURPHY pulled this item for a brief report from staff.

City Architect, John SAGIN - reported that only one bid had been received and it was higher than the budget for this item. He explained some of the items that will be reduced in order to get bids within budget.

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

**Aye:** 7 - Mayor Thurston, Mayor Pro Tempore Pedrozo, Council Member Belluomini, Council Member Blake, Council Member Dossetti, Council Member Lor, and Council Member Murphy

**No:** 0

**Absent:** 0

**J.16.**

**SUBJECT:** Consider Technical Amendment to the 2015 HUD Annual Action Plan Funding Project 116035 for the Construction of the B Street Sidewalks and Ramps with Community Development Block Grant Funds in the Amount of \$224,301

**REPORT IN BRIEF**

Consider a technical amendment to fund Project 116035 for the Construction of the B Street Sidewalks and Ramps with Community Development Block Grant Funds in the Amount of \$224,301

**RECOMMENDATION**

**City Council** - Adopt a motion:

- A. Approving a technical amendment to the 2015 HUD Annual Action Plan for Fiscal Year 2015/16 by including the "B" Street Sidewalks and Ramps Project 116035 in the amount of \$224,301 to be funded by Community Development Block Grant funds; and,
- B. Approving an Interdepartmental Cooperative Agreement between the Department of Development Services and Department of Economic Development in the amount not to exceed \$224,301 as identified in the second technical amendment of the 2015 Housing and Urban Development (HUD) Annual Plan with Community Development Block Grant (CDBG) funds from the 2015/16 Fiscal

Year; and,

- C. Authorizing a transfer from Fund 018-Housing to Fund 450 Streets and Signals CIP in the amount of \$224,301 and appropriating the same to Account 450-1104-637-65- 00 Project #116035; and,
- D. Authorizing the Finance Officer to make the necessary budget adjustments; and,
- E. Authorizing the City Manager to approve minor or technical changes to the Fiscal Year 2015 Housing and Urban Development (HUD) Action Plan amendments (if needed to conform to other program activities) and Interdepartmental Cooperative Agreement as described above and as attached to this report with all associated documents as necessary to implement the Council's actions.

Council Member MURPHY pulled this item to request a list of City sidewalks that are missing

City Architect John SAGIN stated the Engineering Department was currently compiling a list of streets that needed sidewalk infill. He said the list should be ready around February or March.

Council discussed how the decision is made on the priority of certain sidewalks and agreed that the list would be important in making future decisions.

**A motion was made by Council Member Murphy, seconded by Mayor Thurston, that this agenda item be referred back to staff until a list of sidewalk projects was completed. The motion carried by the following vote**

**Aye:** 7 - Mayor Thurston, Mayor Pro Tempore Pedrozo, Council Member Belluomini, Council Member Blake, Council Member Dossetti, Council Member Lor, and Council Member Murphy

**No:** 0

**Absent:** 0

## K. PUBLIC HEARINGS

**K.1.** SUBJECT: Public Hearing - Consideration of the Consolidated Annual Performance and Evaluation Report (CAPER) for Program Year 2014 - 2015

### REPORT IN BRIEF

Review of Housing Division activities as reported in the 2014-2015

Program Year Consolidated Annual Performance and Evaluation Report (CAPER).

**RECOMMENDATION**

**City Council** - Adopt a motion:

A. Adopting **Resolution 2015-38**, a Resolution of the City Council of the City of Merced, California, approving the 2014-2015 Program Year Consolidated Annual Performance and Evaluation Report; and,

B. Authorizing the City Manager to make minor modifications to the final CAPER document as necessary to implement the City Council's actions.

Housing Program Supervisor, Mark HAMILTON - gave a slide presentation on the Consolidated Annual Performance and Evaluation Report (CAPER) for Program year 2014-2015.

Mayor THURSTON opened the Public Hearing at 7:41 pm.

There were no members of the public who wished to speak.

Mayor THURSTON closed the Public Hearing at 7:41 pm.

Council discussed some of the problems in implementing this program but did see the value in rehabilitating older neighborhoods.

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

**Aye:** 6 - Mayor Thurston, Mayor Pro Tempore Pedrozo, Council Member Belluomini, Council Member Blake, Council Member Dossetti, and Council Member Lor

**No:** 1 - Council Member Murphy

**Absent:** 0

**L. REPORTS**

**L.1. SUBJECT: Harvest Park Educational Center (HPEC) Requests Free Use of Scout Hut for After School Program**

**REPORT IN BRIEF**

HPEC requests free use of Scout Hut for after school tutorial program.

**RECOMMENDATION**

**City Council-** Adopt a motion approving the staff's fee proposal for the ongoing use of the Scout Hut by the HPEC.

Assistant to the City Manager, Mike CONWAY gave a presentation on the request of the Harvest Park Educational Center (HPEC).

Council discussed the different items that rental fees cover including staff and maintenance. It was noted that the proposed fee was lower than the normal co-sponsored rate.

Gloria MORRIS, HPEC Managing Director - gave an overview of the services provided by the program. She stated that finding a suitable location with reasonable rent was a major problem. She proposed a different rate than suggested by staff.

Christine ASHER, Merced - spoke in favor of the HPEC program.

Council asked clarifying questions on how the program operated and how many tutors were required. Ms. MORRIS responded.

Council was supportive of the volunteer work being done for children and suggested possibly applying for some of the Community Development Block Grant Funds to help their effort.

**A motion was made by Council Member Belluomini, seconded by Mayor Pro Tempore Pedrozo, that this agenda item be approved at the rate recommended by staff. The motion carried by the following vote:**

**Aye:** 6 - Mayor Thurston, Mayor Pro Tempore Pedrozo, Council Member Belluomini, Council Member Blake, Council Member Dossetti, and Council Member Murphy

**No:** 1 - Council Member Lor

**Absent:** 0

**L.2.**

**SUBJECT:** Community Facility District Bonds Refinancing

**REPORT IN BRIEF**

Requesting approval for refinancing Bellevue Ranch East and West Community Facility District Special Revenue Bonds and approval for financial advisor, bond counsel, disclosure counsel, special tax consultant and underwriter.

**RECOMMENDATION**

A. **City Council** - adopt a motion approving the following consultants for the refinancing:

1. For financial advisor, the firm of Fieldman, Rolapp & Associates of Irvine, CA. with Tom Johnson as the principal on the project. Mr. Johnson was the principal financial advisor on the original issues.
2. For bond counsel, the firm of Norton Rose Fulbright of Los Angeles, CA with Maryann Goodkind as the principal on the project. Norton Rose Fulbright (formerly Fulbright Jaworski) has served as disclosure counsel on bond deals for the City of Merced.
3. For disclosure counsel, the firm of Norton Rose Fulbright (formerly Fulbright Jaworski) of Los Angeles, CA with Maryann Goodkind as the principal on the project. Ms. Goodkind served as disclosure counsel on the original issues.
4. For special tax consultant, the firm of Goodwin Consulting Group of Sacramento, CA with Dave Freudenberger as the principal on the project. Goodwin Consulting Group administers the current debt on Bellevue Ranch East and West.
5. For underwriter, the firm of Brandis Tallman LLC of San Francisco, CA with Rick Brandis as the principal on the project. Brandis Tallman LLC has underwritten several bond issues for the City with the latest being the refinancing of Fahrens Park Reassessment District No. 2012 Limited Obligation Bonds in July 2012; and,

B. Authorizing the City Manager to execute the necessary documents; and,

C. Authorizing the Finance Officer to make necessary budget adjustments.

Council Member MURPHY recused himself from this item due to the proximity of his home to Bellevue Ranch.

Finance Director, Brad GRANT gave a presentation of the Community Facility District Bonds Refinancing for Bellevue Ranch. He noted that there may not be a market for the bonds at this time.

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

**Aye:** 6 - Mayor Thurston, Mayor Pro Tempore Pedrozo, Council Member Belluomini, Council Member Blake, Council Member Dossetti, and Council Member Lor

**No:** 0

**Absent:** 0

**Abstain:** 1 - Council Member Murphy

## M. BUSINESS

M.1. Confirmation of Date and Time for High Speed Rail Consultant Interviews

City Manager John BRAMBLE suggested October 7, 2015 for the interviews. He also gave an overview of the process.

Mayor THURSTON drew the order of the interviews. KTG Y first, AECOM second, Hatchmott McDonald third, and Opticos Design fourth.

M.2. Request to Add Item to Future Agenda

Mayor Pro Tempore PEDROZO presented notes from a meeting with downtown merchants that he and Council Member DOSSETTI attended. He requested a future Council meeting discussion of the item.

Council Member BELLUOMINI requested a discussion on the format of City Council meeting minutes.

M.3. City Council Comments

Council Member MURPHY reported on developments regarding the Redevelopment Agencies.

Mayor THURSTON reported on the MCAG meeting that he attended in regards to the Steering Committee for self- help having unbalanced representaion. It was decided that Mayor Pro Tempore PEDROZO be the City representative and Council Member DOSSETTI be an alternate.

Council Member DOSSETTI thanked members of the DART team for helping a homeless veteran.

Council Member BELLUOMINI commented that several citizens had requested some sort of participation in the selection of the next City Manager.

Mayor Pro Tempore PEDROZO suggested a study session or workshop for the citizens to express what they would like to see in the next City Manager.

Council Member MURPHY voiced his support for community involvement in the process of selecting a City Manager.

**N. ADJOURNMENT**

**Clerk's Note:** The meeting adjourned at 8:52 pm.

**A motion was made by Mayor Thurston, seconded by Mayor Pro Tempore Pedrozo, to adjourn the meeting in memory of community leader Denard Davis.**

**The motion carried by the following vote:**

**Aye:** 7 - Mayor Thurston, Mayor Pro Tempore Pedrozo, Council Member Belluomini, Council Member Blake, Council Member Dossetti, Council Member Lor, and Council Member Murphy

**No:** 0

**Absent:** 0