



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, June 19, 2017

6:00 PM

A. CALL TO ORDER

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

A.1. Invocation - Steve Moldenhauer, Valley Baptist Church

The invocation was presented by Pastor Steve MOLDENHAUER of Valley Baptist Church.

A.2. Pledge of Allegiance to the Flag

Council Member BELLUOMINI led the Pledge of Allegiance.

B. ROLL CALL

Clerk's Note: Council Member MCLEOD arrived at 6:06 PM.

Present: 7 - Council Member Michael Belluomini, Council Member Anthony Martinez, Council Member Jill McLeod, Council Member Joshua Pedrozo, Council Member Matthew Serratto, Mayor Mike Murphy, and Mayor Pro Tempore Kevin Blake

Absent: 0

B.1. In accordance with Government Code 54952.3, it is hereby announced that the City Council sits either simultaneously or serially as the Parking Authority and the Public Financing and Economic Development Authority. City Council members receive a monthly stipend of \$20.00 by Charter for sitting as the City Council; and the Mayor receives an additional \$50.00 each month as a part of the adopted budget and Resolution 1975-37. The members of the Parking Authority and the Public Financing and Economic Development Authority receive no compensation.

C. CEREMONIAL MATTERS

C.1. **SUBJECT:** Planning Award: 2017 Outstanding Planning Award in the Public Outreach Category

REPORT IN BRIEF

Presented by Rob Terry, Board Member, American Planning Association, California, Central Section Chapter

Rob TERRY, Board Member of the American Planning Association,

presented Planning Manager Kim ESPINOSA an award for the Zoning Code update.

D. WRITTEN PETITIONS AND COMMUNICATIONS

There were none.

E. ORAL COMMUNICATIONS

Ruth WAX, Merced - spoke on Bernasconi Park watering and dead trees.

Gloria SANDOVAL, Merced - spoke on the removal of picnic tables at Applegate Park.

Rachelle ABRIL, Merced - spoke on the homeless and panhandling.

Clerk's Note: Item G.1. Public Hearing Assessment Ballot Proceeding - Pleasanton Park, Olivewood, Mansionette, and Hansen Park Maintenance Districts was moved up in the agenda to accommodate the counting of ballots at the meeting.

Public Works Director Ken ELWIN gave a brief report on the Maintenance District Ballot process.

Mayor MURPHY opened the Public Hearing at 6:26 PM.

Steven GONZALEZ, Merced - asked for clarification on what areas were included in the Hansen Park Maintenance District.

Mr. ELWIN clarified the areas that were being maintained by the fees. He stated that the actual park was separate from the Maintenance District.

Mayor MURPHY closed the Public Hearing at 6:31 PM.

Clerk's Note: Final Council action for this item can be found in the Public Hearing section of the minutes.

F. CONSENT CALENDAR

Agenda Items F.2. City Council/Public Financing and Economic Development/Parking Authority Meeting Minutes of May 15, 2017, F.3 Award Bid to Mid Cal Pipeline & Utilities, Inc., for Columbia Avenue Storm Drain Project 116027, F.6. Animal Control Contract with the County of Merced, and F.7. Civic Center Elevator Upgrades, Request for a Supplemental Appropriation from the General Fund were pulled for

separate consideration.

Approval of the Consent Agenda

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

Aye: 7 - Council Member Belluomini, Council Member Martinez, Council Member McLeod, Council Member Pedrozo, Council Member Serratto, Mayor Murphy, and Mayor Pro Tempore Blake

No: 0

Absent: 0

F.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.

F.4. **SUBJECT:** Parsons Avenue Corridor Project No. 107023 - Quitclaim Deed to Laura Pasley and Richard S. Gonzalez for 2300 Andregg Avenue

REPORT IN BRIEF

Consider approving a Quitclaim Deed to Laura Pasley and Richard S. Gonzalez for 2300 Andregg Avenue, as originally purchased for the Parsons Avenue Corridor Project.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving the Quitclaim Deed to Laura Pasley, a single women and Richard S. Gonzalez, a married man as his sole and separate property for 2300 Andregg Avenue, and;

B. Authorizing the City Manager or Assistant City Manager to execute

the necessary documents.

This Consent Item was approved.

F.5.

SUBJECT: Fiscal Year 2017-2018 Tow Service Agreement

REPORT IN BRIEF

Consider Approving the 2017-2018 Master Tow Service Agreement.

RECOMMENDATION

City Council - Adopt a motion approving **Resolution 2017-34**, a Resolution of the City Council of the City of Merced, California, establishing and approving the 2017-2018 Master Tow Service Agreement; and, authorizing the City Manager or Assistant City Manager to execute the necessary documents.

This Consent Item was approved.

F.8.

SUBJECT: Accepting California Department of Forestry and Fire Protection (CAL FIRE) Grant (8GG16430)

REPORT IN BRIEF

Consider accepting California Department of Forestry and Fire Protection (CAL FIRE) Grant Funding, in the amount of \$475,000, for a Tree Inventory and Management Plan and appropriating the same.

RECOMMENDATION

City Council - Adopt a motion:

A. Accepting and appropriating grant funds from CAL FIRE in the amount of \$475,000 to Fund 558 for a Tree Inventory and Management Plan; and,

B. Appropriating the same to Fund 558; and,

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

This Consent Item was approved.

F.9.

SUBJECT: Second Reading - Ordinance Establishing Planned Development #76 and Amending the Official Zoning Map

REPORT IN BRIEF

Second Reading of previously introduced Ordinance.

RECOMMENDATION

City Council - Adopt a motion adopting **Ordinance No. 2477**, an Ordinance of the City Council of the City of Merced California, establishing Planned Development (P-D) #76 and amending the Official Zoning Map by rezoning 14.86 acres of land generally located on the south side of Yosemite Avenue at Lake Road from Low Density Residential (R-1-6) to Planned Development (P-D) #76 and 2.39 acres from Planned Development (P-D) #52 to Planned Development (P-D) #76; and approving a developer agreement therefore

This Consent Item was approved.

F.2.

SUBJECT: City Council/Public Financing and Economic Development/Parking Authority Meeting Minutes of May 15, 2017

REPORT IN BRIEF

Official adoption of previously held meeting minutes.

RECOMMENDATION

City Council/Public Financing and Economic

Development/Parking Authority - Adopt a motion approving the meeting minutes of May 15, 2017.

Council Member BELLUOMINI pulled this item to request a time of adjournment be added to the final minutes.

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

Aye: 7 - Council Member Belluomini, Council Member Martinez, Council Member McLeod, Council Member Pedrozo, Council Member Serratto, Mayor Murphy, and Mayor Pro Tempore Blake

No: 0

Absent: 0

F.3.

SUBJECT: Award Bid to Mid Cal Pipeline & Utilities, Inc., for Columbia Avenue Storm Drain Project 116027

REPORT IN BRIEF

Consider awarding a construction contract in the amount of \$462,689 for the replacement of the storm drain main in the area of Columbia Ave and Cordova Avenue.

RECOMMENDATION

City Council - Adopt a motion:

A. Awarding the Columbia Avenue Storm Drain Project 116027, to Mid Cal Pipeline & Utilities, Inc., in the amount of \$462,689; and

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

C. Approving change orders not to exceed 10% of the total contract.

Council Member BELLUOMINI pulled this item to ask about reasons for replacing this storm drain system.

City Land Engineer Joe CARDOSO explained the reasons that the cast-in-place system was failing.

Council Member BELLUOMINI asked about the finished look of the project.

Mayor MURPHY suggested completing an overlay of the roadway if contingency funds remain.

A motion was made by Council Member Belluomini, seconded by Council Member McLeod, that this agenda item be approved with the slurry seal alternate being completed if sufficient contingency funds remain. The motion carried by the following vote:

Aye: 7 - Council Member Belluomini, Council Member Martinez, Council Member McLeod, Council Member Pedrozo, Council Member Serratto, Mayor Murphy, and Mayor Pro Tempore Blake

No: 0

Absent: 0

F.6.

SUBJECT: Animal Control Contract with the County of Merced

REPORT IN BRIEF

Contract approval to provide services for the housing and handling of animals impounded at the Merced County Animal Control Shelter.

RECOMMENDATION

City Council - Adopt a motion approving a contract with the County of Merced to provide services for the housing and handling of animals impounded at the Merced County Animal Control Shelter, and authorizing the City Manager or Assistant City Manager to execute the

necessary documents.

Council Member BELLUOMINI pulled this item to clarify the cost for animal control services.

Police Captain Bimley WEST stated the yearly cost for services to be approximately two hundred thousand dollars.

Assistant City Manager Stephanie DIETZ explained the current process and talked about putting new controls in place for future contracts.

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

Aye: 7 - Council Member Belluomini, Council Member Martinez, Council Member McLeod, Council Member Pedrozo, Council Member Serratto, Mayor Murphy, and Mayor Pro Tempore Blake

No: 0

Absent: 0

F.7.

SUBJECT: Civic Center Elevator Upgrades, Request for a Supplemental Appropriation from the General Fund

REPORT IN BRIEF

Staff is requesting an appropriation from the General Fund unappropriated reserves and, waiving the City's competitive bidding requirement in order to provide optimum continued service for the Civic Center passenger elevators and approving an agreement with ThyssenKrupp for Civic Center elevator upgrades.

RECOMMENDATION

City Council - Adopt a motion:

A. Appropriating funds from the General Fund, unappropriated reserves in the amount of \$161,031.00, transfer to Fund 671, and appropriate the same and;

B. Waiving the City's competitive bidding requirement and;

C. Approving an agreement with ThyssenKrupp for Civic Center elevator upgrades and;

D. Authorizing the City Manager or Assistant City Manager to process all applicable documents.

Council Member MARTINEZ pulled this item to ask about potential cost savings by going out to bid.

Public Works Director Ken ELWIN stated that the current company has familiarity with the current system and did not expect a cost savings by switching companies.

Assistant City Manager Stephanie DIETZ explained that this was a refurbishment and not a total replacement, so the City would realize savings.

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

Aye: 7 - Council Member Belluomini, Council Member Martinez, Council Member McLeod, Council Member Pedrozo, Council Member Serratto, Mayor Murphy, and Mayor Pro Tempore Blake

No: 0

Absent: 0

H. REPORTS

Clerk's Note: Mayor MURPHY moved the Report section of the agenda up in the meeting to allow the Clerk's Office more time to count Maintenance District ballots.

H.1.

SUBJECT: Merced Industrial Park Land Assessment

REPORT IN BRIEF

Staff is requesting the City Council to select either Area 6 or Area 7 for further investigation as the City's future industrial park.

RECOMMENDATION

City Council - Adopt a motion directing staff to proceed moving forward with Industrial Park Study Area #6 or Industrial Park Study Area #7.

Economic Development Director Frank QUINTERO gave a brief overview of industrial and manufacturing jobs.

Don SHELLDOLL gave a presentation on the strengths and weaknesses of two areas being considered for industrial development. He discussed infrastructure such as sewer, water, and electrical, as well as roadways and rail access. He stated that area seven is more desirable than area six, based on the criteria presented.

Council Member PEDROZO asked about attracting business to area six.

Mr. SHELLDOLL stated area six was more restrictive and would pose problems for some users.

Council Member BELLUOMINI asked about current industrial land that remained vacant.

Mr. SHELLDOLL stated that it would take time to develop the area.

Mr. BELLUOMINI asked about a new well site near area six.

Water Manager Johnnie BAPTISTA confirmed that Well 20 had been drilled, but was not finished.

Assistant City Manager DIETZ stated that Well 20 would eventually have 16-inch pipe installed.

Council Member BELLUOMINI disputed the flood plain maps presented.

Council Member MARTINEZ was concerned with industrial areas encroaching on residential areas and keeping Campus Parkway a feature entrance.

Council Member MCLEOD expressed support for the size of area seven and its ability to expand.

Council Member PEDROZO expressed support for area seven.

Council Member BELLUOMINI questioned truck traffic near the retail center.

Mr. SHELLDOLL stated that truck traffic could use a backup route via Le Grand road.

Mr. BELLUOMINI expressed concern with the loss of agricultural land in area seven.

A motion was made by Council Member Pedrozo, seconded by Council Member McLeod, to direct staff to pursue industrial park area seven. The motion carried by the following vote:

Aye: 6 - Council Member Martinez, Council Member McLeod, Council Member Pedrozo, Council Member Serratto, Mayor Murphy, and Mayor Pro Tempore Blake

No: 1 - Council Member Belluomini

Absent: 0

G. PUBLIC HEARINGS

G.1. **SUBJECT:** Public Hearing Assessment Ballot Proceeding - Pleasanton Park, Olivewood, Mansionette, and Hansen Park Maintenance Districts

REPORT IN BRIEF

Consider conducting a public hearing to allow for public testimony regarding the proposed increase in annual assessments and accept ballot results.

RECOMMENDATION

City Council - Adopt a motion:

- A. Accepting assessment ballot proceeding results for the Pleasanton Park, Olivewood, Mansionette, and Hansen Park Maintenance Districts; and,
- B. Approving annual increase in assessment levy to successful District(s); and, or;
- C. Approving no increase in annual assessment levy to unsuccessful District(s), with the previous year's annual assessment remaining in effect.

Clerk's Note: After the tally of votes, the Mansionette Maintenance District was in favor of an increase to their assessment, with Olivewood, Hansen Park and Pleasanton Park all opposed to increases in their districts.

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

Aye: 7 - Council Member Belluomini, Council Member Martinez, Council Member McLeod, Council Member Pedrozo, Council Member Serratto, Mayor Murphy, and Mayor Pro Tempore Blake

No: 0

Absent: 0

Mayor MURPHY stated that he would like to see services begin immediately for the Mansionette District due to their approval of an assessment increase.

A motion was made by Council Member Pedrozo, seconded by Council Member

Belluomini, to allow the Interim Finance Officer to adjust the budget to allow for services to Mansionette to commence immediately. The motion carried by the following vote:

Aye: 7 - Council Member Belluomini, Council Member Martinez, Council Member McLeod, Council Member Pedrozo, Council Member Serratto, Mayor Murphy, and Mayor Pro Tempore Blake

No: 0

Absent: 0

G.2.

SUBJECT: Maintenance Districts' Engineer's Reports and Budgets
Fiscal Year 2017/2018 - Public Hearing

REPORT IN BRIEF

Consider adopting a Resolution approving, confirming, and adopting Engineer's Reports and Budgets; and a Resolution approving abeyances for Districts with operating reserve balances above the amount required by the Fund Balance policy for the various Maintenance Districts after the close of the Public Hearing.

RECOMMENDATION

City Council - Adopt a Motion:

A. Adopting **Resolution 2017-36**, a Resolution of the City Council of the City of Merced, California, approving, confirming, and adopting Engineer's Reports on Maintenance Districts; and,

B. Authorizing the Finance Officer to make the necessary adjustment to the Fiscal Year 2017/2018 Maintenance Districts Budget based upon the outcome of the public hearing ballot to increase annual assessments of Pleasanton Park, Olivewood, Mansionette and Hansen Park; and,

C. Adopting **Resolution 2017-35**, a Resolution of the City Council of the City of Merced, California, approving, confirming, and adopting Engineer's Reports on Glenhaven, Quail Run, Sequoia Hill, and SkyMoss Maintenance Districts, including the adoption of temporary, partial abeyances and assessments for each District.

Public Works Director Ken ELWIN gave a brief report on the Maintenance Districts budgets.

Mayor Murphy opened the Public Hearing at 8:02 PM and subsequently closed the Public Hearing for lack of public comment.

A motion was made by Council Member Pedrozo, seconded by Council Member

McLeod, that this agenda item be approved. The motion carried by the following vote:

Aye: 7 - Council Member Belluomini, Council Member Martinez, Council Member McLeod, Council Member Pedrozo, Council Member Serratto, Mayor Murphy, and Mayor Pro Tempore Blake

No: 0

Absent: 0

G.3.

SUBJECT: Continued Public Hearing - Adoption of Fiscal Year 2017-2018 Budget

REPORT IN BRIEF

Continued Public Hearing and adoption of the Fiscal Year 2017-2018 City Council, Public Financing and Economic Development Authority, and Parking Authority Budget.

RECOMMENDATION

City Council - Adopt a motion:

A. Adopting **Resolution 2017-37**, Resolution of the City Council of the City of Merced, California, Adopting the Budget and Appropriating Revenue for Fiscal Year 2017-2018; and,

B. Approving capital projects based upon the Planning Commission's June 7, 2017 finding of consistency of Capital Improvement Program with the General Plan and as modified by recalculation of carryover projects to reflect actual balances as of June 30, 2017.

Public Financing and Economic Development Authority - Adopt a motion:

A. Adopting **Resolution PFA 2017-06**, a Resolution of the City of Merced Public Financing and Economic Development Authority, Adopting the Budget and Appropriating Revenue for Fiscal Year 2017-2018; and,

B. Approving capital projects based upon the Planning Commission's June 7, 2017 finding of consistency of Capital Improvement Program with the General Plan and as modified by recalculation of carryover projects to reflect actual balances as of June 30, 2017.

Parking Authority - Adopt a motion:

A. Adopting **Resolution PA 2017-07**, a Resolution of the City of Merced

Parking Authority, Adopting the Budget and Appropriating Revenue for Fiscal Year 2017-2018; and,

B. Approving capital projects based upon the Planning Commission's June 7, 2017 finding of consistency of Capital Improvement Program with the General Plan and as modified by recalculation of carryover projects to reflect actual balances as of June 30, 2017.

Assistant City Manager Stephanie DIETZ read a statement on the proposed budget.

Mayor MURPHY praised staff for creating the budget. He expressed concern with the salary of the Legislative Director position being added to the budget.

Ms. DIETZ stated that the City wanted to attract quality applicants for the position.

Assistant to the City Manager Mike CONWAY provided Council with budget numbers required to add additional days to the summer swim program.

Council Member MARTINEZ questioned how the salary for the Legislative Director was calculated.

Ms. DIETZ explained the director level position and a similar position at the County.

Council Member SERRATTO asked about a wider range for the salary.

Ms. DIETZ stated that would make it inconsistent with other director positions.

Council Member MCLEOD commented on the importance of the Legislative Director for the City.

Council Member PEDROZO approved of the Legislative Director and the salary requested and the expansion of the swim program.

Mayor Pro Tempore BLAKE stated support for the expansion of the swim days and the Legislative Director position and its salary.

Council Member BELLUOMINI stated support for the expansion of swim days and expressed concern with the Legislative Director position. He questioned funding for a ballot measure and the Police Headquarters.

Mayor Murphy opened the Continued Public Hearing at 8:34 PM and subsequently closed it due to lack of speakers.

A motion was made by Council Member Belluomini, seconded by Council Member Serratto, to increase the funding for the swim program to include Tuesday through Saturday. The motion carried by the following vote:

Aye: 7 - Council Member Belluomini, Council Member Martinez, Council Member McLeod, Council Member Pedrozo, Council Member Serratto, Mayor Murphy, and Mayor Pro Tempore Blake

No: 0

Absent: 0

A motion was made by Mayor Murphy, seconded by Council Member Martinez, recommending changing the salary band for the Legislative Director to \$91,000 to 113,000 per year. The motion failed by the following vote:

Aye: 2 - Council Member Martinez, and Mayor Murphy

No: 5 - Council Member Belluomini, Council Member McLeod, Council Member Pedrozo, Council Member Serratto, and Mayor Pro Tempore Blake

Absent: 0

A motion was made by Council Member Pedrozo, seconded by Mayor Pro Tempore Blake, to adopt Resolution 2017-37 and approve the Capital Improvement Program as recommended by the Planning Commission. The motion carried by the following vote:

Aye: 7 - Council Member Belluomini, Council Member Martinez, Council Member McLeod, Council Member Pedrozo, Council Member Serratto, Mayor Murphy, and Mayor Pro Tempore Blake

No: 0

Absent: 0

A motion was made by Mayor Pro Tempore Blake, seconded by Council Member Pedrozo, adopting Resolution PFA 2017-06 and approving the Capital Improvement Program as recommended by the Planning Commission. The motion carried by the following vote:

Aye: 7 - Council Member Belluomini, Council Member Martinez, Council Member McLeod, Council Member Pedrozo, Council Member Serratto, Mayor Murphy, and Mayor Pro Tempore Blake

No: 0

Absent: 0

A motion was made by Council Member McLeod, seconded by Council Member Martinez, to adopt Resolution PA 2017-07 and approving the Capital Improvement Program as recommended by the Planning Commission. The motion carried by the following vote:

Aye: 7 - Council Member Belluomini, Council Member Martinez, Council Member McLeod, Council Member Pedrozo, Council Member Serratto, Mayor Murphy, and Mayor Pro Tempore Blake

No: 0

Absent: 0

I. BUSINESS

I.1. Request to Add Item to Future Agenda

Council Member MARTINEZ requested to add an item to a future agenda regarding possibly forming a City Arts Commission.

I.2. City Council Comments

Council Member BELLOUMINI reported attending the Continuum of Care meeting and their efforts to alleviate homelessness.

Mayor Murphy requested a second vote on the budget resolution to include the errata items.

A motion was made by Council Member Pedrozo, seconded by Mayor Murphy, to adopt Resolution 2017-37 with the amended errata and approve the Capital Improvement Program as recommended by the Planning Commission. The motion carried by the following vote:

Aye: 7 - Council Member Belluomini, Council Member Martinez, Council Member McLeod, Council Member Pedrozo, Council Member Serratto, Mayor Murphy, and Mayor Pro Tempore Blake

No: 0

Absent: 0

Council Member MARTINEZ commented on attending the Merced Fair and Movies in the Park.

Council Member BLAKE commented on working at the Merced Fair.

Mayor MURPHY spoke on Leadership Merced and a video they produced, the Juneteenth event, and the Lao Family event on Hmong culture. He invited the public to come to the UC Merced beam signing event at City Hall.

J. ADJOURNMENT

Clerk's Note: The meeting was adjourned at 8:51 PM.

A motion was made by Council Member Belluomini, seconded by Council Member Martinez, to adjourn to July 5th at 6 PM for the next Regular Meeting. The motion carried by the following vote:

Aye: 7 - Council Member Belluomini, Council Member Martinez, Council Member McLeod, Council Member Pedrozo, Council Member Serratto, Mayor Murphy, and Mayor Pro Tempore Blake

No: 0

Absent: 0