



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, October 21, 2024

6:00 PM

A. CLOSED SESSION ROLL CALL

Present: 7 - Mayor Matthew Serratto, Mayor Pro Tempore Bertha Perez, Council Member Jesse Ornelas, Mayor Pro Tempore Sarah Boyle, Council Member Ronnie DeAnda, Council Member Shane Smith, and Council Member Fue Xiong

Absent: 0

B. CLOSED SESSION

Mayor SERRATTO called the Closed Session to order at 5:06 PM.

Clerk's Note: Mayor Pro Tempore PEREZ arrived to Closed Session at 5:09 PM.

B.1.

SUBJECT: CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION Reinero v. City of Merced, et al., Case Number 18CV-03052 Pursuant to California Government Code Section 54956.9(d)(1)

B.2.

SUBJECT: CONFERENCE WITH LABOR NEGOTIATORS -- Agency Designated Representatives: City Manager Scott McBride, Deputy City Manager Frank Quintero, Finance Officer Venus Rodriguez, Human Resources Manager Suzanne Fierro, LCW Legal Representative Che Johnson, and LCW Legal Representative Michael Jarvis; Unrepresented Management AUTHORITY: Government Code Section 54957.6

Clerk's Note: Council adjourned from Closed Session at 5:56 PM.

C. CALL TO ORDER

Mayor SERRATTO called the Regular Meeting to order at 6:01 PM.

C.1. Invocation - Pastor Lamar Henderson, All Dads Matter

The Invocation was delivered by Reverend Felix JENKINS of the Mount Olive M.B. Church.

C.2. Pledge of Allegiance to the Flag

Chief of Police Steven STANFIELD led the Pledge of Allegiance to the Flag.

D. ROLL CALL

Present: 7 - Mayor Matthew Serratto, Mayor Pro Tempore Bertha Perez, Council Member Jesse Ornelas, Mayor Pro Tempore Sarah Boyle, Council Member Ronnie DeAnda, 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 \$400.00 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 2020-86. 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:** Proclamation - Domestic Violence Awareness Month

REPORT IN BRIEF

Presented to a representative of the Atwater-Merced Alumnae Chapter of Delta Sigma Theta Sorority, Inc.

Mayor SERRATTO presented the Domestic Violence Awareness Month Proclamation to a representative of the Atwater-Merced Alumnae Chapter of Delta Sigma Theta Sorority, Inc.

G. SPECIAL PRESENTATIONS

G.1. **SUBJECT:** Presentation from Assemblywoman Esmeralda Soria Regarding the Legislative Update

REPORT IN BRIEF

Assemblywoman Soria will be providing a legislative update.

Assemblywoman Esmeralda SORIA provided a legislative update.

H. 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: Jeremiah DIAZ and Angela LARA.

Agenda Item K.7.: John BECKMAN and Fay YASSINI.

I. PUBLIC COMMENT

Julianna STOCKING, Merced - shared details of the importance of Measure O.

Bryan BEHN, Merced - spoke on the importance of Measure O.

Jean OKUYE, Valley Land Alliance, Merced - spoke on continuing to improve Merced, details of the High Speed Rail project, and growth opportunities for the community.

Chief of Police Steven STANFIELD - shared details of the Cops and Critters event and spoke on the funds raised for the Merced Applegate Zoo.

Christan SANTOS, Field Representative for Congressman John DUARTE, Merced - spoke on the Merced County Nut Festival event, the United Valley Fever Awareness, and shared details of the Valley Fever Bill.

Rhonda BATSON, Merced - shared details of the Drama Island Competition and asked for support for raising funds for her non-profit.

John LARSON, Merced - spoke on the St. Vincent de Paul, the Sun Star building, and shared details of the Property Based Improvement District.

J. CONSENT CALENDAR

Agenda Items J.5. Adoption of a Resolution Declaring Intent to Vacate the 10-Foot-Wide Storm Drain Easement at 1965 West Olive Avenue and Setting a Public Hearing for November 18, 2024 (Vacation #24-02), J.6. Consider the Adoption of a Resolution Approving Final Map #5417 for Crossing at River Oaks Phase 2, Subdivision for 35 Lots at the Southeast Corner Coffee Street and Childs Avenue, and the Approval of the Subdivision Agreement for the Crossing at River Oaks Phase 2, and J.7. Consider the Adoption of a Resolution Approving Final Map #5418 for Crossing at River Oaks Phase 3, Subdivision for 36 Lots at the Southeast Corner of Coffee Street and Childs Avenue, and the Approval of the Subdivision Agreement for the Crossing at River Oaks Phase 3; were pulled for separate consideration.

Approval of the Consent Agenda

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

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

No: 0

Absent: 0

J.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.

J.2. SUBJECT: Approval of Street Closure Request with the Use of City Owned Property Located at Bob Hart Square, Submitted by Merced Main Street Association for the 2024 Annual Christmas Parade on December 7th, 2024, From 10:00 A.M. Until 8:00 P.M.

REPORT IN BRIEF

Considers allowing the use of City streets and the Bob Hart Square on December 7, 2024, for the Christmas Parade.

RECOMMENDATION

City Council - Adopt a motion approving the street closures of East Main Street, from Calimyrna Avenue to "G" Street, West Main Street, from "G" to "O" Streets, "O" Street from West Main Street to 20th Street including side streets, the city owned property known as Bob Hart Square, as requested by Mike Waite of the Merced Main Street Association for the 2024 Christmas Parade on Saturday, December 7, 2024.

This Consent Item was approved.

J.3.

SUBJECT: Approval Purchase One (1) New Caterpillar Wheel Loader, Compact Construction Equipment, Model 906, and Necessary Attachment Equipment from Holt of California in the Amount of \$155,357.81 as a Vehicle Replacement for the Trees and Sweeping Divisions

REPORT IN BRIEF

Considers approving the purchase of one Caterpillar Wheel Loader, Model 906, in the amount of \$155,357.81. Staff has identified the need to replace a vehicle, which will assist in the standardization of equipment through the cost savings of a 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 the purchase of one Caterpillar Wheel Loader tractor, Model 906, in the amount of \$155,357.81 from Holt of California, through Sourcewell Caterpillar Inc. contract # 020223-CAT, replacing vehicle E-867; and,

C. Authorizing the City Manager to execute any necessary documents for the purchase specified above; and,

D. Authorizing the issuance of the Purchase Order and approval of change orders not to exceed 10% of the total purchase price.

This Consent Item was approved.

J.4.

SUBJECT: Approval of Additional Contingency in the Amount of \$603,748.13 for Additional Unanticipated Work on the WWTF Phase VI Headworks Project Number CP230035

REPORT IN BRIEF

Considers approving proposed change order from GSE Construction Inc., with additional contingency in the amount of \$603,748.13 for Project No. CP230035 - WWTF Phase VI Headworks.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving the Proposed Change Order from GSE Construction, Inc., with additional contingency amount of \$603,748.13, for a total contingency amount of \$919,018.13, which is approximately 29.15% of the original contract amount; and,

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

This Consent Item was approved.

J.5.

SUBJECT: Adoption of a Resolution Declaring Intent to Vacate the 10-Foot-Wide Storm Drain Easement at 1965 West Olive Avenue and Setting a Public Hearing for November 18, 2024 (Vacation #24-02)

REPORT IN BRIEF

Considers adopting a Resolution to set a public hearing for November 18, 2024, to vacate an approximately 13,850-square-foot easement at 1965 West Olive Avenue, generally located on the north side of West Olive Avenue, approximately 815 feet east of North Highway 59.

RECOMMENDATION

City Council - Adopt a motion adopting **Resolution 2024-97**, A Resolution of the City Council of the City of Merced, California, declaring its intention to vacate the 10-foot-wide easement along the eastern edge of 1965 West Olive Avenue, (approximately 13,850 square feet), which would revert development rights back to the property owner of 1965 West Olive Avenue (Vacation #24-02) and setting time and place for public hearing.

Mayor SERRATTO pulled this item at the request of resident Gloria SANDOVAL.

Gloria SANDOVAL, Merced - asked Council to consider a temporary shelter in the proposed location.

Council, City Manager Scott MCBRIDE, and Senior Planner Francisco MENDOZA discussed the details of the proposed vacancy easement, details of the proposed property being private property, the process of the intent to vacate, past actions on the proposed property, and the restrictions

on the property.

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

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

No: 0

Absent: 0

J.6.

SUBJECT: Consider the Adoption of a Resolution Approving Final Map #5417 for Crossing at River Oaks Phase 2, Subdivision for 37 Lots at the Southeast Corner Coffee Street and Childs Avenue, and the Approval of the Subdivision Agreement for the Crossing at River Oaks Phase 2

REPORT IN BRIEF

Considers adoption of the Final Map #5417 for 37 lots at the southwest corner of Coffee Street and Childs Avenue, and the Subdivision Agreement for the Crossing at River Oaks, Phase 2 Subdivision.

RECOMMENDATION

City Council - Adopt a motion:

A. Adopting **Resolution 2024-98**, a Resolution of the City Council of the City of Merced, California, approving the Final Subdivision Map for the Crossing at River Oaks, Phase 2 Subdivision (#5417); and,

B. Approving the Subdivision Agreement for the Crossing at River Oaks, Phase 2 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: Mayor SERRATTO stated that Council will hear Agenda Items J.6. and J.7. together.

Clerk's Note: There was no Council discussion.

Clerk's Note: Council made a motion for Agenda Items J.6. and J.7. together.

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

Aye: 6 - Mayor Serratto, Mayor Pro Tempore Perez, Council Member Ornelas, Mayor Pro Tempore Boyle, Council Member DeAnda, and Council Member Xiong

No: 0

Absent: 0

Recused: 1 - Council Member Smith

J.7.

SUBJECT: Consider the Adoption of a Resolution Approving Final Map #5418 for Crossing at River Oaks Phase 3, Subdivision for 36 Lots at the Southeast Corner of Coffee Street and Childs Avenue, and the Approval of the Subdivision Agreement for the Crossing at River Oaks Phase 3

REPORT IN BRIEF

Considers adoption of the Final Map #5418 for 36 lots at the southwest corner of Coffee Street and Childs Avenue, and the Subdivision Agreement for the Crossing at River Oaks, Phase 3 Subdivision.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving **Resolution 2024-99**, a Resolution of the City Council of the City of Merced, California, approving the Final Subdivision Map for the Crossing at River Oaks, Phase 3 Subdivision (#5418); and,

B. Approving the Subdivision Agreement for the Crossing at River Oaks, Phase 3 Subdivision; and,

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

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

Clerk's Note: Mayor SERRATTO stated that Council will hear Agenda Items J.6. and J.7. together.

Clerk's Note: There was no Council discussion.

Clerk's Note: Council made a motion for Agenda Items J.6. and J.7. together.

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

Aye: 6 - Mayor Serratto, Mayor Pro Tempore Perez, Council Member Ornelas, Mayor Pro Tempore Boyle, Council Member DeAnda, and Council Member Xiong

No: 0

Absent: 0

Recused: 1 - Council Member Smith

K. ACTION ITEMS

K.1. **SUBJECT:** Award Bid to Diede Construction Inc., a Stock Corporation for Project CP230052 - Stephen Leonard Building Rehabilitation the Amount of \$1,515,720

REPORT IN BRIEF

Considers awarding a Construction Contract to Diede Construction Inc. in the amount of \$1,515,720 for the rehabilitation of Stephen Leonard Building located at 640 T Street.

RECOMMENDATION

City Council - Adopt a motion:

A. Awarding the Stephen Leonard Building Rehab, Project CP230052 to Diede Construction, Inc., in the amount of \$1,515,720; and,

B. Approving an increase to cost recovery revenue in Fund 5000-Parks and Community Services CIP in the amount of \$1,781,840, appropriating the same in Fund 5000-Parks and Community Services CIP Project Number CP230052-Stephen Leonard Building Repairs and allowing the use of pooled cash until reimbursement is received from the insurance company; and,

C. Authorizing the City Manager to execute the necessary documents and to approve change orders not to exceed 20% of the total contract; and,

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

City Surveyor Joe CARDOSO briefly discussed the bid award for the Stephen Leonard Building Rehabilitation project.

Clerk's Note: There was no Council discussion.

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

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

No: 0

Absent: 0

Council discussed the request to move Agenda Item K.7.

A motion was made by Council Member Smith, seconded by Mayor Pro Tempore Perez, to move Agenda Item K.7. in between Agenda Items K.2. and K.3. The motion carried by the following vote:

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

No: 0

Absent: 0

K.2.

SUBJECT: Approval to Enter into a 3-Year Agreement with the Merced County District Attorney's Office to Share the Cost of One (1) Crime Analyst for the Merced County Violence Interruption and Prevention (VIPER) Program

REPORT IN BRIEF

Considers approving a 3-year agreement with the Merced County District Attorney's Office to share the cost of One (1) Crime Analyst for the Merced County Violence Interruption and Prevention (VIPER) program.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving of a Memorandum of Understanding with Merced County District Attorney's Office to share the cost of one (1) VIPER Crime Analysts; and,

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

Chief of Police Steve STANFIELD briefly discussed the request to approve an agreement with the Merced County District Attorney's Office to share the cost of one crime analyst for the Merced County Violence Interruption and Prevention Program.

Clerk's Note: There was no Council discussion.

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

Aye: 6 - Mayor Serratto, Mayor Pro Tempore Perez, Council Member Ornelas, Mayor Pro Tempore Boyle, Council Member DeAnda, and Council Member Smith

No: 1 - Council Member Xiong

Absent: 0

K.7.

SUBJECT: Approval of a Resolution Approving the Project Labor Agreement for the City of Merced and Authorizing the City Manager to Execute the Project Labor Agreement with the Valley Building and Construction Trades Council and Local Unions

REPORT IN BRIEF

Considers approving a Resolution approving the Project Labor Agreement for the City of Merced and authorizing the city manager to execute the Project Labor Agreement with the Valley Building and Construction Trades Council and Local Unions.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving **Resolution 2024-101**, a Resolution of the City Council of the City of Merced, California, Approving the Project Labor Agreement for the City of Merced and the Valley Building and Construction Trades Council and Local Unions; and,

B. Authorizing the City Manager to Execute the Project Labor Agreement.

Clerk's Note: Council made a motion to move Agenda Item K.7. in between Agenda Items K.2. and K.3.

City Attorney Craig CORNWELL and City Manager Scott MCBRIDE gave a slideshow presentation on the approval to adopt a resolution regarding the approval of a Project Labor Agreement (PLA).

Council discussed the support for the item, details of the six year agreement term, city funded projects, and potential of facilitating labor peace.

Rex HIME, Western Electrical Contracts Association, Merced - shared details of the state approved apprenticeship program he represents and urged Council to vote no on the PLA.

Corey VAN RYS, Valley Building and Construction Trades Council, Merced - shared details of their pre-apprenticeship program, spoke on construction jobs, and his support of the PLA.

Will KELLY, North Valley Labor Federation, Merced - spoke in support of the PLA, the benefits of the agreement ensuring city projects being completed on time, and shared Stockton's success.

Israel CHAPA - shared a personal story of how he received his apprenticeship and spoke on enriching Merced.

Ed OLIVAREZ - spoke on the PLA benefits for local construction workers and seeking projects to work locally.

Juan PEREZ, Merced - asked Council to vote yes on the PLA and spoke on the benefits of the PLA to local construction workers.

Jason CROCKETT, Local 104, Merced - spoke on the opportunities that he has received being in a union and the benefits the PLA would have on construction workers.

Rebecca WALLEN, Local 104, Merced - highly encouraged Council to support the PLA and spoke on the benefits of working in the trades.

Darrel WASHINGTON, Merced - asked Council to vote yes on the PLA and shared personal experience since joining the United Voices of the World Union.

Dr. Edward FLORES, Merced - shared data on amount of jobs created

with a PLA and urged to vote in favor of Merced to approve the PLA.

Erick SERRATTO, Executive Director for Merced County Workforce, Merced - spoke on the mission of the Workforce Board and details of PLAs having a role in our economy.

Francisco GONZALEZ, Merced - spoke on the difficulties of commuting and more construction being built locally.

Mike HARRIS, Merced - spoke on affordable housing, benefits of a PLA, and encourages Council to support.

Sol RIVAS, Executive Director of Valley Onward, Merced - spoke on working on building local communities and encouraged Council to support the PLA.

Steve STEVENSON, President of Local 442 Plumbers and Pipe Fitters, Merced - spoke on growing opportunities locally, urged Council to support and approve the PLA, and shared an incident with a contractor involved in the Childs Avenue and B Street project.

Council and Mr. CORNWELL discussed a percentage goal of local construction workers being hired on projects, details of adding transitional workers in the PLA, potentially amend the vote, and details of adding a portion to include data collection.

Clerk's Note: Council Member XIONG requested to amend the motion to include percentage goal and transitional workers. Mayor Pro Tempore PEREZ stated the motion stands as is.

Clerk's Note: Council Member ORNELAS requested to table this Agenda Item for the next meeting to discuss data collection. Mayor Pro Tempore PEREZ called the question.

A motion was made by Mayor Pro Tempore Perez, 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 Perez, Council Member Ornelas, Mayor Pro Tempore Boyle, Council Member DeAnda, Council Member Smith, and Council Member Xiong

No: 0

Absent: 0

Clerk's Note: Council took a recess at 7:46 PM and reconvened at 7:57 PM.

K.3.

SUBJECT: Approval of Resolution of the City of Merced City Council Regarding Certain Terms and Conditions of Employment for the Merced Executive Unit, Unrepresented Employees' Unit, and Public Safety Managers Unit

REPORT IN BRIEF

Considers approving a Resolution of the City of Merced City Council regarding certain terms and conditions of employment for the Merced Executive Unit, Unrepresented Employees' Unit, and Public Safety Managers Unit.

RECOMMENDATION

City Council - Adopt a motion:

- A. Approving **Resolution 2024-100**, a Resolution of the City Council of the City of Merced, California, approving the terms and conditions of employment for the Merced Executive Unit, Unrepresented Employees' Unit, and the Public Safety Managers Unit; and,
- B. Authorizing the City Manager to make non-substantive modifications subject to City Attorney approval as to form and execute the necessary documents; and,
- C. Authorizing the Finance Officer to make the necessary budget adjustments and move positions into different funding sources if determine necessary.

City Manager Scott MCBRIDE briefly discussed the approval of the terms and conditions of employment for the Merced executive unit, unrepresented employees' unit, and public safety managers unit.

Council discussed details of Section 3.2 equity adjustments, details of longevity pay, and eight hours of vacation automatically given on the Executive Unit.

Clerk's Note: A motion was made by Council Member SMITH, seconded by Council Member BOYLE, to approve the terms and conditions of employment for the Unrepresented Employees' Unit and the Public Safety

Managers Unit. Council Member SMITH withdrew his motion.

Council and Finance Officer Venus RODRIGUEZ discussed taking separate action on all units, details of the budget adjustments, details of Resolution 2024-100, and the amount of votes for budget adjustments.

A motion was made by Mayor Serratto, seconded by Mayor Pro Tempore Perez, to approve with the exception of compacting the Deputy City Manager position. The motion carried by the following vote:

Aye: 5 - Mayor Serratto, Mayor Pro Tempore Perez, Mayor Pro Tempore Boyle, Council Member DeAnda, and Council Member Smith

No: 2 - Council Member Ornelas, and Council Member Xiong

Absent: 0

K.4.

SUBJECT: Report for Discussion on Preliminary Annexation Application #24-02 for Moe Jawad, 28.49 Acres at the Southwest Corner of Lacava Road and San Augustine Drive

REPORT IN BRIEF

The City Council will be asked to evaluate Preliminary Annexation Application #24-02 for Moe Jawad, consisting of 28.49 acres of single-family development at the southwest corner of Lacava Road and San Augustine Drive.

RECOMMENDATION

City Council - Adopt a motion indicating general support for an official annexation application being processed for the Preliminary Annexation Application #24-02 ("Lacava Road-San Augustine project").

Associate Planner Jonnie LAN gave a slideshow presentation for a Preliminary Annexation Pre-application #24-02 at the Southwest corner of Lacava Road and San Augustine Drive.

Jean OKUYE, Valley Land Alliance, Merced - spoke on details of the letter from the Local Agency Formation Commission, the displacement of the Boys and Girls Club center, the High Speed Rail project, and stated that her organization does not support annexations.

Ashley SUAREZ, Merced - shared concerns of South Merced, spoke on the needs of South Merced, and affordable housing projects in South Merced.

Cindy KELLY, Merced - asked for clarification on the sewer and water tie-ins and the location of the lift station.

Council, City Manager Scott MCBRIDE, and Mrs. LAN discussed details of the infrastructure, future South Merced annexations, and details of the Preliminary Annexation Application process.

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

Aye: 6 - Mayor Serratto, Mayor Pro Tempore Perez, Council Member Ornelas, Mayor Pro Tempore Boyle, Council Member DeAnda, and Council Member Smith

No: 1 - Council Member Xiong

Absent: 0

K.5.

SUBJECT: Approving a Service Agreement for the Development of a Parks, Recreation and Open Space (PROS) Master Plan with 110%, Inc. in Collaboration with KTUA Planning and Architecture in the Amount of \$150,000

REPORT IN BRIEF

Considers approving a service agreement in the amount of \$150,000 for the development of a new Parks, Recreation and Open Space Master Plan including community engagement, park & program assessments, prioritized capital improvement projects, and funding analysis to guide park development, standards, maintenance & programing over the next decade.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving a Services Agreement for the development of a Parks, Recreation & Open Space Master Plan with 110% Inc., in the amount of \$150,000; and,

B. Authorizing the City Manager to make any necessary modifications and execute the necessary documents.

Director of Recreation and Community Services Chris JENSEN and 110%, Inc. Representative Farrell BULLER gave a slideshow presentation on the agreement to approve a Parks, Recreation, and Open Space (PROS) Master Plan.

Ashley SUAREZ, Merced - spoke on the lack of amenities in the South Merced parks, input from the community, and requested mailing notices to the community.

Council, Mr. JENSEN, and Ms. BULLER discussed the outcomes of approving the PROS Master Plan, community involvement, funding and investment opportunities, nearby projects worked on by 110%, Inc, and the long-term plan.

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

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

No: 0

Absent: 0

K.6.

SUBJECT: Authorization to Submit a Formal Request to the U.S. Department of Housing and Urban Development (HUD) Asking for Voluntary Grant Reductions of Future CDBG and HOME Allocations in Lieu of Repayment from Local Funds, Stemming from the January 2020 HUD Environmental Monitoring Findings and Corrective Actions for the Gateway Terrace II Affordable Housing Project

REPORT IN BRIEF

Considers authorization to submit a formal letter to the U.S. Department of Housing and Urban Development (HUD) requesting Voluntary Grant Reductions (VGRs) of future annual Community Development Block Grant (CDBG) and Home Investment Partnership Program (HOME) allocations, in lieu of the use of local funds, for repayment of prior expenditures that HUD determined were ineligible during the January 2020 Environmental Monitoring and as further determined by the October 2021 Monitoring Report that requires repayment of ineligible expenditures as a corrective action.

RECOMMENDATION

City Council - Adopt a motion:

A. Authorizing the City Manager to submit a formal letter to HUD requesting consideration and approval of Voluntary Grant Reductions of both CDBG and HOME for the respective repayment amounts; and,

B. Authorizing the City Manager, after consultation with the Finance Officer, City Staff, and HUD, to make the final determination as to the amount and number of years to request the grant reductions to be spread,

if any, to ensure that administrative budgetary obligations of the Housing Division are met.

Or

C. Approving a Supplemental Appropriation from the unreserved, unencumbered General Fund balance in the amount of \$700,507 to repay the ineligible activities.

Or

D. Approving a Supplemental Appropriation from the unreserved, unencumbered fund balance of Fund 1020 Affordable Housing in the amount of \$700,507 to repay the ineligible activities.

City Manager Scott MCBRIDE and Housing Program Supervisor Kim NUTT gave a slideshow presentation on the U.S. Department of Housing and Urban Development (HUD) 2021 Environmental Findings Report, the final corrective actions, Voluntary Grant Reduction (VGR), and repayment options.

Council discussed the rising cost of building, the impact of the VGR, and the reasoning the funding needs to be repaid.

Ashley SUAREZ, Merced - spoke on the housing crisis and urged Council to not choose options included in the Administrative Report.

Council, Mr. MCBRIDE, and Ms. NUTT discussed the funding used to repay, the timeline of the repayment, and details of the VGR.

Clerk's Note: A motion was made by Council Member XIONG to repay through the General Fund. The motion failed for a lack of a second.

Council discussed the timeline of the Gateway Terrace II Affordable Housing Project, details of the repayment options, and details of different funds received for affordable housing.

A motion was made by Council Member Smith, seconded by Mayor Pro Tempore Perez, to direct staff to explore the Voluntary Grant Reduction option to pay back the Block Grant and approval to appropriate funds from Fund-1020 to pay back the remaining amount, with the recommendation to spread over three years. The motion failed by the following vote:

Aye: 4 - Mayor Pro Tempore Perez, Mayor Pro Tempore Boyle, Council Member DeAnda, and Council Member Smith

No: 3 - Mayor Serratto, Council Member Ornelas, and Council Member Xiong

Absent: 0

Clerk's Note: The motion failed due to the required 5 affirmative vote.

Council and Ms. NUTT discussed details of further options, staffing costs, and possibly moving the item to the next agenda for options.

A motion was made by Mayor Serratto, seconded by Mayor Pro Tempore Perez, to choose the Voluntary Grant Reduction over three years. The motion failed by the following vote:

Aye: 3 - Mayor Serratto, Mayor Pro Tempore Perez, and Council Member DeAnda

No: 4 - Council Member Ornelas, Mayor Pro Tempore Boyle, Council Member Smith, and Council Member Xiong

Absent: 0

A motion was made by Mayor Pro Tempore Perez, seconded by Council Member Boyle, to continue to the next available meeting for more options. The motion carried by the following vote:

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

No: 0

Absent: 0

K.8.

SUBJECT: Introduction of an Ordinance Amending Chapter 8.22 to Add Fireworks Host Liability and Enforce Stricter Penalties

REPORT IN BRIEF

Consideration of draft Ordinance amending Chapter 8.22 to Fireworks Host Liability and enforce stricter penalties.

RECOMMENDATION

City Council - Adopt a motion:

A. Introducing and approving the first reading of **Ordinance No. 2570**, an Ordinance of the City Council of the City of Merced, California, amending Chapter 8.22 (Fireworks) to add Fireworks Host Liability; Enforce Stricter penalties; and

Reorder/Renumber Certain Sections; and,

B. Set the Ordinance for a second reading and adoption.

City Attorney Craig CORNWELL gave a slideshow presentation on the fireworks ordinance revision.

Council and Mr. CORNWELL discussed details of the proposed ordinance, the section of the ordinance for the person getting fined, the research done on other firework ordinances from different municipalities, and legal details of the fine amount.

Clerk's Note: A motion was made by Council Member SMITH, "to approve this reading of the draft ordinance with the request to the City Attorney first go back and reconsider my comments about the level of culpability for host liability and if substantial changes are made to bring the ordinance back to Council." The motion failed for lack of a second.

Council and Chief of Police Steven STANFIELD discussed details of the fine amount, the firework fine amount in surrounding cities, details of a social host ordinance, citing a homeowner that rents their home, and different ways to cite fireworks.

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

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

No: 0

Absent: 0

K.9.

SUBJECT: Introduction of an Ordinance Repealing Chapter 8.30 (Regulation of Shopping Carts), and Adopting a New Chapter Pertaining to the Regulation of Shopping Carts in the City

REPORT IN BRIEF

Consideration of draft Ordinance Repealing Chapter 8.30 (Regulation of Shopping Carts) and Adopting a New Chapter Pertaining to the Regulation of Shopping Carts in the City with the intent of putting more emphasis on the shopping cart owners to maintain carts on-site, and to facilitate the removal of carts that are found off the premises of any store.

RECOMMENDATION

City Council - Adopt a motion:

A. Introducing and approving the first reading of **Ordinance No. 2569**, an Ordinance of the City Council of the City of Merced, California, Repealing Chapter 8.30 (Regulation of Shopping Carts), and Adopting a New Chapter 8.30 Pertaining to the Regulation of Shopping Carts in the City; and,

B. Set the Ordinance for a second reading and adoption.

City Attorney Craig CORNWELL gave a slideshow presentation proposing a new chapter pertaining to the regulation of shopping carts.

Gloria SANDOVAL, Merced - spoke on different citizens that the ordinance would impact and asked if store owners had input on the potential ordinance.

Mayor SERRATTO and Mr. CORNWELL briefly discussed meetings with the store owners and the process of a resident taking a shopping cart off the premises.

Robert DYLINE, Merced - spoke on government overreach, details of the shopping cart ordinance, and how it affects store owners.

Council discussed details of meetings held with store owners, the locations impacted by shopping carts, and the current process of shopping carts in the city.

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

Aye: 6 - Mayor Serratto, Mayor Pro Tempore Perez, Council Member Ornelas, Mayor Pro Tempore Boyle, Council Member DeAnda, and Council Member Xiong

No: 1 - Council Member Smith

Absent: 0

K.10.

SUBJECT: Introduction of an Ordinance Amending Chapter 9.51, "Camping and Storage of Personal Property" of the Merced Municipal Code

REPORT IN BRIEF

Considers introducing a proposed Ordinance amending Chapter 9.51, "Camping and Storage of Personal Property" to create restrictions on camping in public spaces within the City of Merced.

RECOMMENDATION

City Council - Adopt a motion:

A. Introducing and approving the first reading of **Ordinance No. 2568**, an Ordinance of the City Council of the City of Merced, California, Amending Chapter 9.51 "Camping and Storage of Personal Property" of the Merced Municipal Code; and,

B. Setting the Ordinance for a second reading and adoption.

City Attorney Craig CORNWELL gave a slideshow presentation on a proposed camping and storage of personal property ordinance and the Supreme Court Case Grants Pass.

Gloria SANDOVAL, Merced - spoke on the annual homeless count in Merced County and residents living below the poverty level.

Dr. Salvador SANDOVAL, Merced - spoke on the public health assistance for the unhoused community, affordable housing issue, and possible sanctioned encampments.

Robert DYLINE, Merced - spoke on the empty beds of the homeless shelters, the homeless issues in the county, and the distance between encampments and schools.

Council, Mr. CORNWELL, and Chief of Police Steven STANFIELD discussed the definition of the term "sleeping" in the ordinance, the definitions of camping, the enforcement tiers listed on the ordinance, details of homeless individuals, details of homeless court, the success rate of homeless court in Merced County, and the fine structure.

A motion was made by Council Member Smith, seconded by Council Member Ornelas, to introduce the ordinance with the following modifications: modifying the fine structure to \$50, \$150, \$300, modify the word "sleep", and changing the distance around schools to 1,000 feet. The motion carried by the following vote:

Aye: 6 - Mayor Serratto, Mayor Pro Tempore Perez, Council Member Ornelas, Mayor Pro Tempore Boyle, Council Member DeAnda, and Council Member Smith

No: 1 - Council Member Xiong

Absent: 0

L. BUSINESS

Clerk's Note: Council took a recess at 10:28 PM and reconvened at 10:47 PM.

L.1. **SUBJECT: Council Member Ornelas' Request for an Update from Staff on the South Merced Economic Development Study**

REPORT IN BRIEF

Council Member Ornelas' request for an update from staff on the South Merced Economic Development study.

RECOMMENDATION

Provide direction to staff on the next steps.

Deputy City Manager Frank QUINTERO gave a slideshow presentation on the South Merced economic development study.

Council, Mr. QUINTERO, and City Manager Scott MCBRIDE discussed economic centers in the city, details of grants the city has applied for, and future grants.

Clerk's Note: Public Comments for this Agenda Item were heard after Agenda Item L.2.

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

L.2. **SUBJECT: Council Member Ornelas' Request for an Update from Staff on the Efforts Made to Keep Barnes and Noble**

REPORT IN BRIEF

Council Member Ornelas' request for an update from staff on the efforts made to keep Barnes and Noble.

RECOMMENDATION

Provide direction to staff on the next steps.

Deputy City Manager Frank QUINTERO gave a slideshow presentation on the efforts made to keep Barnes and Nobles.

Council and Mr. QUINTERO discussed the efforts made my staff, the benefits of buying local, details of the Barnes and Noble lease, and details of Mor furniture store.

Clerk's Note: Public Comments for Agenda Item L.1. were heard at this time.

Ashley SUAREZ, Merced - spoke on engaging South Merced residents in economic efforts, details of a previously submitted petition, and asked for clarification on the scope of the EPA Grant.

City Manager Scott MCBRIDE briefly discussed details of the EPA Grant.

Robert DYLINE, Merced - spoke on the future annexations he intends on bringing, development in South Merced, and details of development next to major roadways.

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

L.3.

SUBJECT: Council Member Ornelas' Request for an Update from Staff on the Childs Avenue Project

REPORT IN BRIEF

Council Member Ornelas' request for an update from staff on the Childs Avenue Project.

RECOMMENDATION

Provide direction to staff on the next steps.

Christan SANTOS, Representative for Congressman John DUARTE, Merced - spoke on Congressman John DUARTE's support for the Child's and Canal Project, details of Community Project Funding, and shared updates from Washington D.C.

City Manager Scott MCBRIDE gave a slideshow presentation on the Childs Avenue Project.

Ashley SUAREZ, Merced - spoke on the needs of South Merced, the importance of prioritizing the Childs Avenue Project, and details of grants.

Ana QUINTANA, Merced - shared an experience of a South Merced resident and spoke on the importance of beautifying sidewalks.

Council briefly discussed the importance of sidewalk projects.

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

L.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.

Clerk's Note: No future items were added.

L.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 DEANDA shared his medical update.

Council Member SMITH spoke on the Drama Island event.

Council Member BOYLE reported on attending the Merced County Food Bank, a Candle Night Vigil and Victim Remembrance Community Walk, the Luna Star Fashion Show, the Nut Festival, and the Castle Air-Fest event.

M. ADJOURNMENT

Clerk's Note: The Regular Meeting was adjourned at 11:35 PM.

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

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

No: 0

Absent: 0