



# CITY OF MERCED

## Meeting Agenda

City Council Chamber  
Merced Civic Center  
2nd Floor  
678 W. 18th Street  
Merced, CA 95340

### City Council/Public Finance and Economic Development Authority/Parking Authority

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Monday, March 7, 2016

7:00 PM

Council Chambers, 2nd Floor, Merced Civic  
Center, 678 W. 18th Street, Merced, CA 95340

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**Closed Session at 6:30 PM**

#### NOTICE TO PUBLIC

#### WELCOME TO THE MEETING OF THE MERCED CITY COUNCIL

At least 72 hours prior to each regular City Council meeting, a complete agenda packet is available for review on the City's website at [www.cityofmerced.org](http://www.cityofmerced.org) or at the City Clerk's Office, 678 W. 18th Street, Merced, CA 95340. All public records relating to an open session item that are distributed to a majority of the Council will be available for public inspection at the City Clerk's Office during regular business hours.

#### PUBLIC COMMENT: OBTAIN SPEAKER CARD FROM THE CITY CLERK

Members of the audience who wish to address the City Council are requested to complete a speaker card available at the podium against the right-hand side of the Council Chambers. Please submit the completed card to the City Clerk before the item is called, preferably before the meeting begins.

#### INDIVIDUALS WITH DISABILITIES

Accommodation for individuals with disabilities may be arranged by contacting the City Clerk at (209) 388-8650. Assisted hearing devices are available for meetings held in the Council Chambers

#### A. CLOSED SESSION ROLL CALL

#### B. CLOSED SESSION

- B.1. [16-072](#)      SUBJECT: PUBLIC EMPLOYEE APPOINTMENT - TITLE: City Attorney; AUTHORITY: Government Code 54957.

#### C. CALL TO ORDER

C.1. Invocation - Pastor Bruce Logue, LifeSpring Church

C.2. Pledge of Allegiance to the Flag

## D. ROLL CALL

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, 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.

## E. REPORT OUT OF CLOSED SESSION

## F. CEREMONIAL MATTERS

F.1. [16-086](#) SUBJECT: Presentation of American Flag

### REPORT IN BRIEF

An American Flag flown in Afghanistan will be presented to the City of Merced by Kendall M. Burgfeld, First Lieutenant, United States Army.

## G. WRITTEN PETITIONS AND COMMUNICATIONS

## H. ORAL COMMUNICATIONS

Members of the public who wish to speak on any matter not listed on the agenda may speak during this portion of the meeting and will be allotted 5 minutes. State law prohibits the City Council from acting at this meeting on any matter raised during the public comment period. The Mayor may, at his discretion, decrease the time allotted to speakers in order to accommodate as many speakers as possible. Members of the public who wish to speak on a matter this is listed on the agenda will be called upon to speak during discussion of that item.

## I. CONSENT CALENDAR

Adoption of the Consent Calendar may be made by one motion of the City Council, provided that any Councilmember, individual, or organization may request removal of an item from the Consent Calendar for separate consideration. If a request for removal of an item from the Consent Calendar has been received, the item will be discussed and voted on separately.

I.1. [16-076](#) SUBJECT: "Information-Only" Contracts

### REPORT IN BRIEF

Notification of awarded Non-Public Works contracts under \$28,000 and of Public Works contracts under \$63,054.

### AUTHORITY

Pursuant to the authority delegated to the City Manager on behalf of the

City by Article XI, Section 1109, of the Merced City Charter to execute Public Works contracts under the adjusted 2015 threshold of \$63,054.00, and Chapter 3.04.080 - 3.04.110 of the Merced Municipal Code to execute Non-Public Works contracts under the adjusted 2015 threshold of \$28,000.00, the contracts listed on the attached table were entered into by the City.

**I.2.     [16-059](#)**

**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.

**I.3.     [16-064](#)**

**SUBJECT:** Investment Policy

**REPORT IN BRIEF**

Consider update to Investment Policy.

**RECOMMENDATION**

**City Council** - Adopt **Resolution 2016-11**, a Resolution of the City Council of the City of Merced, California, adopting Investment Policy.

**I.4.     [16-042](#)**

**SUBJECT:** Appropriation From Fleet Capital Replacement

**REPORT IN BRIEF**

Fleet Services is requesting approval from Council to appropriate \$102,027 from the Fleet Capital Replacement Fund and accepting insurance reimbursements for two police vehicles.

**RECOMMENDATION**

**City Council** - Adopt a motion:

A. Approving an appropriation of \$102,027 from the Fleet Capital Replacement Fund 674-1103-633.63-00 to replace two patrol vehicles and augment Police K-9 expenses, and;

B. Accepting insurance reimbursement revenue from McLaren's Insurance and credit those funds back to the Fleet Capital Replacement Fund 674.

I.5. [16-057](#)      **SUBJECT:** Contract Agreement With the County of Merced

**REPORT IN BRIEF**

Enter into an agreement to provide parking enforcement in County parking lots.

**RECOMMENDATION**

**City Council** - Adopt a motion approving an agreement between the City of Merced and the County of Merced for the police department to conduct parking enforcement in the County parking lots; and authorizing the City Manager to execute the necessary documents.

I.6. [16-069](#)      **SUBJECT:** Appropriation of Funds Generated From Zoo Special Events and Activities

**REPORT IN BRIEF**

Accept and appropriate revenues from zoo special events and activities that are put on by the City of Merced staff.

**RECOMMENDATION**

**City Council** - Adopt a motion authorizing the Finance Officer to make appropriate budget adjustments

I.7. [16-071](#)      **SUBJECT:** Ordinance Dealing with No Parking Zones (Canal Street)

**REPORT IN BRIEF**

Second reading of previously introduced ordinance.

**RECOMMENDATION**

**City Council** - Adopt **Ordinance 2455**, an Ordinance of the City Council of the City of Merced, California, Amending Section 10.28.230, "No Parking Zones" of the Merced Municipal Code.

**J. REPORTS**

J.1. [16-067](#)      **SUBJECT:** Adoption of a Resolution for an Exemption to CalPERS 180-Day Wait Period Pursuant to Government Code Sections 7522.56 and 21224

**REPORT IN BRIEF**

Adoption of a resolution approving the hiring of Roberta Medina as an extra-help retired annuitant to perform the duties of a Temporary Community Services Officer under Government Code sections 7522.56 and 21224, effective March 14, 2016.

**RECOMMENDATION**

**City Council** - Adopt **Resolution 2016-08**, a Resolution of the City Council of the City of Merced, approving an exception to the CALPERS 180-day wait period pursuant to Government Code sections 7522.56 and 21224.

**J.2.**     [16-075](#)

**SUBJECT:** Cardrooms

**REPORT IN BRIEF**

Provides a brief overview of existing City cardroom regulations and outlines potential areas of modification that the City Council may consider, if desired.

**RECOMMENDATION**

Staff recommends that the City Council take public testimony regarding cardrooms and either:

- A. Provide direction to staff regarding any proposed modifications to the City's existing cardroom regulations; or,
- B. Take no further action regarding this matter.

**K. BUSINESS**

**K.1.**     [16-079](#)

**SUBJECT:** Discussion on City Manager Evaluation Form

**REPORT IN BRIEF**

This item is in response to Council Member Belluomini's request to discuss changes to the City Manager Evaluation Form.

**K.2.**     [16-080](#)

**SUBJECT:** Discussion on Finance Director Evaluation Form

**REPORT IN BRIEF**

This item is in response to Council Member Belluomini's request to discuss changes to the Finance Director Evaluation Form.

**K.3.**     [16-082](#)

**SUBJECT:** Confirmation of Date for Budget Priority Session

**REPORT IN BRIEF**

Available dates for selection are:  
Wednesday, March 9th  
Thursday, March 10th  
Wednesday, March 23rd  
Monday, March 28th

Tuesday, March 29th  
Wednesday, March 30th  
Thursday, March 31st

**RECOMMENDATION**

Select a date from the list to hold a Budget Priority Session.

K.4. Presentation on Economic Development by Council Member Belluomini

K.5. Request to Add Item to Future Agenda

K.6. City Council Comments

**L. ADJOURNMENT**



# CITY OF MERCED

Merced Civic Center  
678 W. 18th Street  
Merced, CA 95340

## ADMINISTRATIVE REPORT

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**Agenda Item: B.1.**

Meeting Date: 3/7/2016

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**SUBJECT:** PUBLIC EMPLOYEE APPOINTMENT - TITLE: City Attorney; AUTHORITY:  
Government Code 54957.



# CITY OF MERCED

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## ADMINISTRATIVE REPORT

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**Agenda Item: F.1.**

**Meeting Date: 3/7/2016**

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**SUBJECT:** Presentation of American Flag

### REPORT IN BRIEF

An American Flag flown in Afghanistan will be presented to the City of Merced by Kendall M. Burgfeld, First Lieutenant, United States Army.





# CITY OF MERCED

Merced Civic Center  
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## ADMINISTRATIVE REPORT

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**Agenda Item: I.1.**

**Meeting Date: 3/7/2016**

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***Report Prepared by:*** Kirkland Greene, Records Clerk II

**SUBJECT:** "Information-Only" Contracts

### **REPORT IN BRIEF**

Notification of awarded Non-Public Works contracts under \$28,000 and of Public Works contracts under \$63,054.

### **AUTHORITY**

Pursuant to the authority delegated to the City Manager on behalf of the City by Article XI, Section 1109, of the Merced City Charter to execute Public Works contracts under the adjusted 2015 threshold of \$63,054.00, and Chapter 3.04.080 - 3.04.110 of the Merced Municipal Code to execute Non-Public Works contracts under the adjusted 2015 threshold of \$28,000.00, the contracts listed on the attached table were entered into by the City.

### **ATTACHMENTS**

1. "Information-Only" Contracts Table for February 2016

**Exhibit 1 – Table of Contracts**3/7/2016 City Council Meeting

<b>Department/Division</b>	<b>Vendor</b>	<b>Purpose/Location</b>	<b>Amount</b>
0803 – Engineering	ESA (Environmental Science Associates)	Biological Survey in Preparation for Well Drilling at Well Site No. 20. (Statement of Services, PO #121699)	\$ 2,150.00
0803 – Engineering	Taylor Backhoe Service, Inc.	Potholing to Locate Utility Lines/Measure Depth--“M” St. & N. Bear Creek Dr. (Statement of Services, PO #121479)	\$ 5,875.00
1201 – Recreation & Parks	Danny DuPont (DBA: DuPont Volleyball Academy)	Agreement to Conduct Youth and Adult Volleyball Leisure Classes from March 7, 2016 through March 6, 2017.	\$ 6,528.00
1201 – Recreation & Parks	Merced Area Sports Officials, Inc. (Marvin Smith)	Agreement for the Officiation of Adult Softball (from April 1, 2016 through December 31, 2016).	\$17,945.00
1301 – Housing	Chad Wohlford (DBA: Wohlford Consulting)	Agreement to Modify the Homeowner-Occupied Rehab. Program (HOME), including a Cost Allocation Plan.	\$20,950.00
0803 – Engineering	ControlPoint Engineering, Inc.	Software Programming Services for Well 3C Control System Integration. (Statement of Services, PO #121529)	\$54,500.00

*Copies of all of the contracts listed above are available in the City Clerk's Office.*



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## ADMINISTRATIVE REPORT

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**Agenda Item: I.2.**

**Meeting Date: 3/7/2016**

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**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.



# CITY OF MERCED

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## ADMINISTRATIVE REPORT

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**Agenda Item: I.3.**

**Meeting Date: 3/7/2016**

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**Report Prepared by:** *Teri Albrecht, Deputy Finance Officer*

**SUBJECT:** Investment Policy

### REPORT IN BRIEF

Consider update to Investment Policy.

### RECOMMENDATION

**City Council** - Adopt **Resolution 2016-11**, a Resolution of the City Council of the City of Merced, California, adopting Investment Policy.

### ALTERNATIVES

1. Adopt as recommended by staff; or
2. Refer back to staff with specific direction.

### AUTHORITY

State of California Government Code Section 53646(a)(2).

### CITY COUNCIL PRIORITIES

As provided for in the 2015-16 Adopted Budget.

### DISCUSSION

Current investment laws state that the Finance Officer may annually render to the legislative body a statement of investment policy, which the legislative body shall consider at a public meeting. Any change in the policy shall be considered by the legislative body at a public meeting.

A good investment policy drives the cash, treasury and investment management functions of an agency. It serves as a guide for setting and achieving program objectives, defines rules and establishes benchmarks, and reduces the exposures to liability of the investment staff and the governing board.

Language and definitions in the Investment Policy are being updated. The policy was previously updated in 2012 with Resolution No. 2012-48.

### IMPACT ON CITY RESOURCES

No appropriation of funds is needed.

**ATTACHMENTS**

1. Investment Policy 2016
2. Investment Policy 2012
3. Resolution

# INVESTMENT POLICY

## 1. Policy

It is the Policy of the City of Merced and all entities of the City of Merced to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands and conforming to all state and local statutes governing the investment of public funds.

## 2. Scope

This investment policy applies to the investment activities of the City of Merced and all entities of the City of Merced. These funds are accounted for in the Annual Financial Reports and include:

### **Funds:**

- General Fund
- Special Revenue Funds
- Debt Service Funds
- Capital Project Funds
- Enterprise Funds
- Internal Service Funds
- Trust and Agency Funds

This investment policy does not apply to any retirement funds or deferred compensation funds administered by other agencies.

## 3. Prudence

Investment officials shall use judgment and care in accordance with established procedures and exercise due diligence in investing these funds. The standard of prudence to be used by investment officials shall be the "prudent person" and shall be applied in the context of the overall portfolio.

## 4. Objectives

**Safety:** Safety of principal is the foremost objective of the investment program. Funds will be invested in a manner that will preserve and protect capital in the overall portfolio.

**Liquidity:** A portion of the investment portfolio will remain sufficiently liquid to meet all operating requirements which might be reasonably anticipated, thereby obviating the need for forced liquidation. Liquidity requirements shall be ensured by maintaining sufficient investment amounts in, Local Investment Agency Fund, Savings, or any maturing investment.

**Return on Investments:** The investment portfolio should at a minimum regularly exceed the average return on three-month U.S. Treasury bills, or the average rate on Fed funds, whichever is higher. These indices comprise a minimum standard for a rate of return that is considered a benchmark for riskless investment transactions. Returns above this threshold will be sought when consistent with risk limitations identified herein and prudent investment principles.

With the use of daily cash balance reports and cash flow projections available funds will be invested as near as possible to 100%.

## **5. Delegation of Authority**

The finance officer is designated as investment officer and is responsible for investment decisions and activities, under the direction of the city manager. The finance officer shall be responsible for developing and maintaining administrative procedures for the operation of the program which are consistent with these policies.

## **6. Ethics and Conflicts of Interests**

Any employee involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the city manager any material financial interests in financial institutions that conduct business within this jurisdiction, and they shall further disclose any large personal financial/investment positions that could be related to the performance of this jurisdiction's portfolio. Employees and officers shall subordinate their personal investment transactions to those of this jurisdiction, particularly with regard to the timing of purchases and sales.

## **7. Authorized Financial Dealers and Institutions**

The Finance Officer will maintain a list of financial institutions authorized to provide investment services. All financial institutions and broker/dealers who desire to become qualified bidders must be affiliated as primary dealers with the New York Federal Reserve Bank or broker/dealers who comply with the Federal capital adequacy guidelines. They must also certify that they have read and understood the City of Merced investment policies.

Banks shall be selected through the banking services procurement process. A formal request for proposal of depository services shall be issued no less than every five years. In selecting banks, the finance officer shall review the bank's financial history and creditworthiness.

## **8. Authorized & Suitable Investments**

Funds may be used to purchase the following investment instruments:

- A. U.S. Treasury and U.S. Agency Issues
- B. Certificates of Deposit
- C. Local Agency Investment Fund
- D. Government Bonds and Notes
- E. Passbook Savings
- F. Bankers' Acceptance
- G. Commercial Paper
- H. Medium-term Notes
- I. Repurchase Agreements
- J. Mutual Funds

As far as is practicable two quotes will always be obtained before purchasing or selling securities.

To ensure receipt of securities, all trades will be executed on a delivery versus "payment" or "book entry" basis.

Bankers' Acceptance will only be purchased from prime money-center banks.

All U.S. Treasury and Agency obligations will be purchased at prices that are at or below par.

Commercial paper to be of "prime" quality of the highest ranking or of the highest letter and numerical rating as provided for by Moody's Investors Service, Inc., or Standard and Poor's Corporation. Eligible paper is further limited to issuing corporations that are organized and operating within the United States and having total assets in excess of five hundred million dollars (\$500,000,000) and have an "A" or higher rating for issuer's debt, other than commercial paper, if any, as provided for by Moody Investors Service Inc., or Standard and Poor's Corporation. Purchases of eligible commercial paper may not exceed 180 days maturity nor represent more than 10% of the outstanding paper of an issuing corporation. Purchases of commercial paper may not exceed 15% of the portfolio.

Medium-term notes to be of maximum of five years maturity issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment shall be rated in a rating category of "A" or its equivalent or better by a nationally recognized rating service. Purchase of medium-term notes may not exceed 30% of the portfolio.

Investments in repurchase agreements is limited to purchase of U.S. Treasury and U.S. Agency Issues and Government Bonds and Notes (collateral) pursuant to an agreement by which the seller will repurchase the securities on or before a specified date and for a specified amount. The term of the repurchase agreement shall be for one year or less.

Investments in mutual funds will be restricted to those funds that invest in securities and obligations otherwise eligible for local agency investment. Purchase of mutual fund shares may not exceed 15% of the portfolio.

Marketable securities will be traded prior to maturity if capital appreciation has occurred and/or yield can be increased with a minimum extension of maturity or the maturity can be shortened with a minimal loss in yield.

Losses are acceptable on a sale before maturity only if the reinvested proceeds will earn an income flow that would have been generated by the old investment considering any capital loss or forgone interest on the original investment. Any such sales will only be made upon the recommendation of the finance officer and approved by the city manager.

If not otherwise stated, the maximum maturity and maximum percent of investment type to total portfolio will be based on State law.

## **9. Collateralization**

Collateralization will be required on two types of investments: certificates of deposit and repurchase agreements.

Certificates of deposit must be fully insured by the FDIC; if over \$250,000 the difference must be collateralized with securities having a market value of at least 110% of the value of the public funds or 150% if the depository uses mortgaged back securities.

Collateral for repurchase agreement will have a market value of at least 102% of the specified amount in the agreement. Collateral will always be held by an independent third party with whom the City has a current custodial agreement. A clearly marked evidence of ownership must be supplied to the City and retained.

## **10. Safekeeping and Custody**

Where practicable, to protect against potential fraud and embezzlement, the City of Merced's ownership of all investments and collateral will be maintained through third-party custodial safekeeping. Bearer instruments shall be held only through third party institutions and all investment officials will be bonded.



## **11. Diversification**

Assets invested shall be sufficiently diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issue, or a specific class of securities. Investment maturities shall be scheduled to coincide with projected cash flow needs.

## **12. Maximum Maturities**

To the extent possible, the City of Merced will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow and authorized by the City Council, the City will not directly invest in securities maturing more than five years from the date of purchase.

## **13. Internal Controls**

The finance officer shall establish a system of internal controls, which shall be designed to prevent losses of public funds arising from fraud, employee error, third party misrepresentation, unanticipated changes in financial markets or imprudent actions by employees and officers.

## **14. Performance Standards**

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs.

## **15. Reporting**

The finance officer shall submit a monthly investment report to the city council and city manager. This report will show the investments in the portfolio, specific information concerning these investments and any narrative necessary for clarification.

## **16. Investment Policy Adoption**

The investment policy shall be adopted by resolution of the City Council. The policy shall be reviewed annually by the Finance Officer and any modifications made thereto approved by the City Council.

## GLOSSARY

**AGENCIES:** Federal agency securities.

**ANNUAL FINANCIAL REPORT:** The City shall issue either a Basic Financial Statement or Comprehensive Annual Financial Report (CAFR) annually. The Basic Financial Statement includes the minimum combination of financial statements and note disclosures required for fair presentation in conformity with Generally Accepted Accounting Principles (GAAP). The CAFR is a broader report that includes at a minimum, three sections 1) introductory, 2) financial, and 3) statistical. The financial section provides information on each individual fund and component unit. It is in conformity with both GAAP and Government Finance Officer Association (GFOA) recommendations.

**ASKED:** The price at which securities are offered.

**BANKERS' ACCEPTANCE (BA):** A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

**BID:** The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.)

**BROKER:** A broker brings buyers and sellers together for a commission.

**CERTIFICATE OF DEPOSIT (CD):** A short-term, secured deposit in a financial institution that usually returns principal and interest to the lender at the end of the loan period. Certificates of Deposit (CDs) differ in terms of collateralization and marketability. Those appropriate to public agency investing include Negotiable Certificates of Deposit and Non-Negotiable Certificates of Deposit.

**Negotiable Certificates of Deposit** – Generally, short-term debt instrument that usually pays interest and is issued by a bank, savings or federal association, state or federal credit union, or state-licensed branch of a foreign bank. The majority of negotiable CDs mature within six months while the average maturity is two weeks. Negotiable CDs are traded in a secondary market and are payable upon order to the bearer or initial depositor/investor. Negotiable CDs are insured by Federal Deposit Insurance Corporation (FDIC) up to \$250,000, but they are not collateralized beyond that amount. No more than 30% of an agency's portfolio may be invested in negotiable CDs.

**Non- Negotiable Certificates of Deposit** – CDs that carry penalty if redeemed prior to maturity. A secondary market does exist for non-negotiable CDs, but redemption includes a transaction cost that reduces returns to the investor. Non-negotiable CDs issued by banks and savings and loans are insured by the FDIC up to \$250,000. Amounts deposited above \$250,000 may be secured with other forms of collateral through an agreement between the investor and issuer.

**COLLATERAL:** Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public moneys.

**COUPON:** (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

**DEALER:** A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his/her own account.

**DELIVERY VERSUS PAYMENT:** There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery for securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signers receipt for the securities.

**DISCOUNT:** The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

**DISCOUNT SECURITIES:** Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value, e.g. U.S. Treasury Bills.

**DIVERSIFICATION:** Dividing investment funds among a variety of securities offering independent returns.

**FEDERAL CREDIT AGENCIES:** Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, e.g., saving and loan associations, small business firms, students, farmers, farm cooperatives, and exports.

**FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC):** A federal agency that insures bank deposits, currently up to \$250,000 per deposit.

**FEDERAL FUNDS RATE:** The rate of interest at which Fed funds are traded. The rate is currently pegged by the Federal Reserve through open-market operations.

**FEDERAL HOME LOAN BANKS (FHLB):** The institutions that regulate and lend to savings and loan associations. The Federal Home Loan Banks play a role analogous to that played by the Federal Reserve Banks vis-a-vis member commercial bank.

**FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA):** FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. This corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

**FEDERAL RESERVE SYSTEM:** The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

**GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA OR GINNIE MAE):** Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by the FHA, VA, or FMHA mortgages. The term "pass-throughs" is often used to describe Ginnie Maes.

**LIQUIDITY:** A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

**LOCAL GOVERNMENT INVESTMENT POOL (LGIP):** The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

**MARKET VALUE:** The price at which a security is trading and could presumably be purchased or sold.

**MASTER REPURCHASE AGREEMENT:** A written contract covering all future transactions between the parties to repurchase—reverse repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of defaults by the seller-borrower.

**MATURITY:** The date upon which the principal or stated value of an investment becomes due and payable.

**MONEY MARKET:** The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

**OFFER:** The price asked by a seller of securities. (When you are buying securities, you ask for an offer.)

**PORTFOLIO:** Collection of securities held by an investor.

**PRIMARY DEALER:** A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

**PRUDENT PERSON RULE:** An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state—the so-called legal list. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

**RATE OF RETURN:** The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity, on a bond it is the current income return.

**REPUCHASE AGREEMENT (RP OR REPO):** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security “buyer” in effect lends the “seller” money for the period of the agreement, and the terms of the agreement are structured to compensate him/her for this. Dealers use RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lending money that is, increasing bank reserves.

**SAFEKEEPING:** A service to customers rendered by banks for a fee whereby securities and valuable of all types and descriptions are held in the bank’s vaults for protection.

**SECONDARY MARKET:** A market made for the purchase and sale of outstanding issues following the initial distribution.

**SECURITIES & EXCHANGE COMMISSION:** Agency created by Congress to protect investors in securities transactions by administering securities legislation.

**TREASURY BILLS:** A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

**TREASURY BOND:** Long-term U.S. Treasury securities having initial maturities of more than 10 years.

**TREASURY NOTES:** Medium-term coupon bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

**YIELD:** The rate of annual income return on an investment, expressed as a percentage. (a) Income Yield is obtained by dividing the current dollar income by the current market price for the security. (b) Net Yield or Yield to Maturity is the current income yield minus any premium above par or plus any discount from par in purchase price with the adjustment spread over the period from the date of purchase to the date of maturity of the bonds.

# INVESTMENT POLICY

## 1.0 Policy:

It is the Policy of the City of Merced and all entities of the City of Merced to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands and conforming to all state and local statutes governing the investment of public funds.

## 2.0 Scope:

This investment policy applies to the investment activities of the City of Merced and all entities of the City of Merced. These funds are accounted for in the Comprehensive Annual Financial Reports and include:

### 2.1 Funds

- 2.1.1 General Fund
- 2.1.2 Special Revenue Funds
- 2.1.3 Debt Service Funds
- 2.1.4 Capital Project Funds
- 2.1.5 Enterprise Funds
- 2.1.6 Internal Service Funds
- 2.1.7 Trust and Agency Funds

This investment policy does not apply to any retirement funds or deferred compensation funds administered by other agencies.

## 3.0 Prudence:

Investment officials shall use judgment and care in accordance with established procedures and exercise due diligence in investing these funds. The standard of prudence to be used by investment officials shall be the "prudent person" and shall be applied in the context of the overall portfolio.

## 4.0 Objectives:

4.1 Safety: Safety of principal is the foremost objective of the investment program. Funds will be invested in a manner that will preserve and protect capital in the overall portfolio.

4.2 Liquidity: A portion of the investment portfolio will remain sufficiently liquid to meet all operating requirements which might be reasonably anticipated, thereby obviating the need for forced liquidation. Liquidity requirements shall be ensured by maintaining sufficient investment amounts in, Local Investment Agency Fund, Savings, or any maturing investment.

4.3 Return on Investments: The investment portfolio should at a minimum regularly exceed the average return on three-month U.S. Treasury bills, or the average rate on Fed funds, whichever is higher. These indices comprise a minimum standard for a rate of return that is considered a benchmark for riskless investment transactions. Returns above this threshold will be sought when consistent with risk limitations identified herein and prudent investment principles.

With the use of daily cash balance reports and cash flow projections available funds will be invested as near as possible to 100%.

#### 5.0 Delegation of Authority:

The finance officer is designated as investment officer and is responsible for investment decisions and activities, under the direction of the city manager. The finance officer shall be responsible for developing and maintaining administrative procedures for the operation of the program which are consistent with these policies.

#### 6.0 Ethics and Conflicts of Interests:

Any employee involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the city manager any material financial interests in financial institutions that conduct business within this jurisdiction, and they shall further disclose any large personal financial/investment positions that could be related to the performance of this jurisdiction's portfolio. Employees and officers shall subordinate their personal investment transactions to those of this jurisdiction, particularly with regard to the timing of purchases and sales.

#### 7.0 Authorized Financial Dealers and Institutions:

The Finance Officer will maintain a list of financial institutions authorized to provide investment services. All financial institutions and broker/dealers who desire to become qualified bidders must be affiliated as primary dealers with the New York Federal Reserve Bank or broker/dealers who comply with the Feds capital adequacy guideline. They must also certify that they have read and understood the City of Merced investment policies.

Banks shall be selected through the banking services procurement process. A formal request for proposal of depository services shall be issued no less than every five years. In selecting banks, the finance officer shall review the bank's financial history and creditworthiness.

#### 8.0 Authorized & Suitable Investments:

Funds may be used to purchase the following investment instruments:

- A. U.S. Treasury and U.S. Agency Issues
- B. Non-Negotiable Certificates of Deposit
- C. Local Agency Investment Fund
- D. Government Bonds and Notes
- E. Passbook Savings
- F. Bankers Acceptance
- G. Commercial Paper
- H. Medium-term Notes
- I. Repurchase Agreements
- J. Mutual Funds

All non-negotiable certificates of deposit will be made with a state or national bank, state or federal savings bank or savings and loan associations, or a federally insured industrial loan company (Thrift & Loans). The deposits to any one institution may not exceed the total paid up capital and surplus in any depository.

As far as is practicable two quotes will always be obtained before purchasing or selling securities.

To ensure receipt of securities, all trades will be executed on a delivery versus" payment" or "book entry" basis.

Bankers Acceptance will only be purchased from prime money-center banks.

All U.S. Treasury and Agency obligations will be purchased at prices that are at or below par.

Commercial paper to be of "prime" quality of the highest ranking or of the highest letter and numerical rating as provided for by Moody's Investors Service, Inc., or Standard and Poor's Corporation. Eligible paper is further limited to issuing corporations that are organized and operating within the United States and having total assets in excess of five hundred million dollars (\$500,000,000) and have an "A" or higher rating for issuer's debt, other than commercial paper, if any, as provided for by Moody Investors Service Inc., or Standard and Poor's Corporation. Purchases of eligible commercial paper may not exceed 180 days maturity nor represent more than 10% of the outstanding paper of an issuing corporation. Purchases of commercial paper may not exceed 15% of the portfolio.

Medium-term notes to be of maximum of five years maturity issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment shall be rated in a rating category of "A" or its equivalent or better by a nationally recognized rating service. Purchase of medium-term notes may not exceed 30% of the portfolio.

Investments in repurchase agreements is limited to purchase of U.S. Treasury and U.S. Agency Issues and Government Bonds and Notes (collateral) pursuant to an agreement by which the seller will repurchase the securities on or before a specified date and for a specified amount. The term of the repurchase agreement shall be for one year or less.

Investments in mutual funds will be restricted to those funds that invest in securities and obligations otherwise eligible for local agency investment. Purchase of mutual fund shares may not exceed 15% of the portfolio.

Marketable securities will be traded prior to maturity if capital appreciation has occurred and/or yield can be increased with a minimum extension of maturity or the maturity can be shortened with a minimal loss in yield.

Losses are acceptable on a sale before maturity only if the reinvested proceeds will earn an income flow that would have been generated by the old investment considering any capital loss or forgone interest on the original investment. Any such sales will only be made upon the recommendation of the finance officer and approved by the city manager.

#### 9.0 Collateralization:

Collateralization will be required on two types of investments: non-negotiable certificates of deposit and repurchase agreements.

Non-negotiable certificates of deposit must be fully insured by the FDIC; If over \$250,000 the difference must be collateralized with securities having a market value of at least 110% of the value of the public funds or 150% if the depository uses mortgaged back securities.

Collateral for repurchase agreement will have a market value of at least 102% of the specified amount in the agreement. Collateral will always be held by an independent third party with whom the City has a current custodial agreement. A clearly marked evidence of ownership must be supplied to the City and retained.

#### 10.0 Safekeeping and Custody:

Where practicable, to protect against potential fraud and embezzlement, the City of Merced's ownership of all investments and collateral will be maintained through third-party custodial safekeeping. Bearer instruments shall be held only through third party institutions and all investment officials will be bonded.

#### 11.0 Diversification:

Assets invested shall be sufficiently diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issue, or a specific class of securities. Investment maturities shall be scheduled to coincide with projected cash flow needs.

#### 12.0 Maximum Maturities:

To the extent possible, the City of Merced will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than five years from the date of purchase.

#### 13.0 Internal Controls:

The finance officer shall establish a system of internal controls, which shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets or imprudent actions by employees and officers.

#### 14.0 Performance Standards:

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs.

#### 15.0 Reporting:

The finance officer shall submit a monthly investment report to the city council and city manager. This report will show the investments in the portfolio, specific information concerning these investments and any narrative necessary for clarification.

#### 16.0 Investment Policy Adoption:

The investment policy shall be adopted by resolution of the City Council. The policy shall be reviewed annually by the Finance Officer and any modifications made thereto must be approved by the City Council.



## GLOSSARY

### AGENCIES:

Federal agency securities.

### ASKED:

The price at which securities are offered.

### BANKERS' ACCEPTANCE (BA):

A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

### BID:

The price offered by a buyer of securities. (when you are selling securities, you ask for a bid.)

### BROKER:

A broker brings buyers and sellers together for a commission.

### CERTIFICATE OF DEPOSIT (CD):

A time deposit with a specific maturity evidenced by a certificate. Large-denomination CD's are typically negotiable.

### COLLATERAL:

Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public moneys.

### COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR):

The official annual report for the City. It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

### COUPON:

(a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

### DEALER:

A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his/her own account.

### DELIVERY VERSUS PAYMENT:

These are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery for securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signers receipt for the securities.

### DISCOUNT:

The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

### DISCOUNT SECURITIES:

Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value, e.g. U.S. Treasury Bills.

### DIVERSIFICATION:

Dividing investment funds among a variety of securities offering independent returns.

### FEDERAL CREDIT AGENCIES:

Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, e.g., S&L's, small business firms, students, farmers, farm cooperatives, and exports

### FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC):

A federal agency that insures bank deposits, currently up to \$250,000 per deposit.

### FEDERAL FUNDS RATE:

The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

### FEDERAL HOME LOAN BANKS (FHLB):

The institutions that regulate and lend to savings and loan associations. The Federal Home Loan Banks play a role analogous to that played by the Federal Reserve Banks vis-à-vis member commercial bank.

### FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA):

FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie MAE, as the corporation is called, is a private stockholder-owned corporation. This corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

### FEDERAL RESERVE SYSTEM:

The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

### GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA OR GINNIE MAE):

Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by the FHA, VA, or FMHM mortgages. The term "passthroughs" is often used to describe Ginnie Maes.

### LIQUIDITY:

A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

### LOCAL GOVERNMENT INVESTMENT POOL (LGIP):

The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

### MARKET VALUE:

### REPURCHASE AGREEMENT (RP OR REPO):

The price at which a security is trading and could presumably be purchased or sold.

**MASTER REPURCHASE AGREEMENT:**

A written contract covering all future transactions between the parties to repurchase--reverse repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of defaults by the seller-borrower.

**MATURITY:**

The date upon which the principal or stated value of an investment becomes due and payable.

**MONEY MARKET:**

The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

**OFFER:**

The price asked by a seller of securities. (When you are buying securities, you ask for an offer.)

**PORTFOLIO:**

Collection of securities held by an investor.

**PRIMARY DEALER:**

A group of government securities dealers who submit daily reports or market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

**PRUDENT PERSON RULE:**

An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state--the so-called legal list. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

**RATE OF RETURN:**

The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

**GLOSSARY**

A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him/her for this. Dealers use RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lending money, that is, increasing bank reserves.

**SAFEKEEPING:**

A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

**SECONDARY MARKET:**

A market made for the purchase and sale of outstanding issues following the initial distribution

**SECURITIES & EXCHANGE COMMISSION:**

Agency created by Congress to protect investors in securities transactions by administering securities legislation.

**TREASURY BILLS:**

A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

**TREASURY BOND:**

Long-term U.S. Treasury securities having initial maturities of more than 10 years.

**TREASURY NOTES:**

A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months or one year.

**YIELD:**

The rate of annual income return on an investment, expressed as a percentage. (a) Income Yield is obtained by dividing the current dollar income by the current market price for the security. (b) Net Yield or Yield to Maturity is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bonds.

**RESOLUTION NO. 2016-\_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF MERCED, CALIFORNIA,  
ADOPTING INVESTMENT POLICY**

THE CITY COUNCIL OF THE CITY OF MERCED DOES HEREBY  
RESOLVE, DETERMINE, FIND, AND ORDER AS FOLLOWS:

SECTION 1. That certain document entitled, "Investment Policy" is hereby  
adopted as the official investment policy for the City of Merced.

SECTION 2. The City Manager and Finance Officer are hereby authorized  
and directed to comply with the Investment Policy effective immediately.

PASSED AND ADOPTED by the City Council of the City of Merced at a  
regular meeting held on the \_\_\_\_\_ day of \_\_\_\_\_ 2016, by the following  
vote:

AYES: Council Members:

NOES: Council Members:

ABSENT: Council Members:

ABSTAIN: Council Members:

APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:  
STEVE CARRIGAN, CITY CLERK

BY: \_\_\_\_\_  
Assistant/Deputy City Clerk

(SEAL)

APPROVED AS TO FORM:

Ken Ryee      3/1/16  
City Attorney      Date



## ADMINISTRATIVE REPORT

**Agenda Item: I.4.**

**Meeting Date: 3/7/2016**

**Report Prepared by:** Ken Elwin, Director of Public Works, Public Works

**SUBJECT:** Appropriation From Fleet Capital Replacement

### REPORT IN BRIEF

Fleet Services is requesting approval from Council to appropriate \$102,027 from the Fleet Capital Replacement Fund and accepting insurance reimbursements for two police vehicles.

### RECOMMENDATION

**City Council** - Adopt a motion:

- A. Approving an appropriation of \$102,027 from the Fleet Capital Replacement Fund 674-1103-633.63-00 to replace two patrol vehicles and augment Police K-9 expenses, and;
- B. Accepting insurance reimbursement revenue from McLaren's Insurance and credit those funds back to the Fleet Capital Replacement Fund 674.

### ALTERNATIVES

1. Approve, as recommended by Staff or;
2. Approve, subject to other than recommended by Staff (identify specific findings and/or conditions amended to be addressed in the motion) or;
3. Deny or;
4. Refer to staff for reconsideration of specific items or;
5. Continue to a future meeting (date and time to be specified in the motion).

### AUTHORITY

Merced Municipal Code Article II, Sec. 200.

### CITY COUNCIL PRIORITIES

As provided for in the 2015-16 Adopted Budget.

### DISCUSSION

Fleet Services is requesting approval from Council to appropriate \$89,478 from the Fleet Capital Replacement Fund to purchase two new Ford Police Interceptor SUV's. (See Attachment 1 Estimate for one police vehicle.) The new vehicles are replacing two patrol cars that were completely totaled during recent vehicle accidents. The City's insurance will reimburse the City for the two wrecked patrol vehicles; however, insurance stipulations require the City to make the purchases first before a

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reimbursement can be processed. It should be noted the insurance has a \$5,000 deductible per vehicle. We request those insurance reimbursements be credited back to the Fleet Capital Replacement Fund 674.

An additional \$12,549 is also being requested from the Fleet Capital Replacement Fund to supplement the actual cost to fully outfit three K-9 Patrol Units, primarily due to the rising cost of police retrofit equipment. It should be noted that these three vehicles are already approved as part of this fiscal year's Capital Fleet replacement budget and will be sent out for bid to all local dealers as well as posted to the City's website.

### **IMPACT ON CITY RESOURCES**

An appropriation of \$102,027 is required from the Fleet Capital Replacement Fund 674-1103-633.63-00 to replace two wrecked Patrol Vehicles and augment Police K-9 retrofit gear expenses.

Upon receiving the insurance reimbursement revenue from McLaren's Insurance, the revenue will be credited back to the Fleet Capital Replacement Fund 674.

### **ATTACHMENTS**

1. Attachment 1 - PD Vehicle Estimate

# ATTACHMENT 1

CNGP530

VEHICLE ORDER CONFIRMATION

02/03/16 19:42:13

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Dealer: F72411

2016 EXPLORER 4-DOOR

Page: 1 of 2

Order No: 0203 Priority: D1 Ord FIN: QC445 Order Type: 5B Price Level: 645

Ord Code: 500A Cust/Flt Name: MERCED PD

PO Number:

RETAIL

RETAIL

K8A 4DR AWD POLICE \$31175

.REAR LIGHT PKG

.112.6" WB

.RR MOUNT PLATE

G1 SHADOW BLACK

CA BOARD FEES NC

YZ POLICE WHITE

FRT LICENSE BKT NC

F CLTH BUCKETS/RR 60

17A AUX CLIMATE CTL 610

W EBONY INTERIOR

18W RR WINDOW DEL 25

500A EQUIP GRP

422 CALIF EMISSIONS NC

.PREM SINGLE CD

51Z DUAL SPOT LAMPS 350

99R .3.7L V6 TIVCT NC

44C .6-SPD AUTO TRAN NC

TOTAL BASE AND OPTIONS 42065

53M SYNC SYSTEM 295

TOTAL 42065

67H ROAD READY PKG 3415

\*THIS IS NOT AN INVOICE\*

.DR LOCK PLUNGER

.100 WATT SIREN

.TAIL LAMP PKG

55B BLIND SPOT MNTR \$545

595 KEYLESS W/O PAD 260

61S CONFIG STR WHL 155

66A FRONT HDLMP PKG NC

.GRILL WIRING

76R REVERSE SENSING 275

86T RR TAILLAMP HSG NC

87R RR VIEW MIR/CAM NC

90E LH/RH PNLS III 3170

91C VINYL PACKAGE 3 700

92R SOLAR TINT 2ND 85

SP DLR ACCT ADJ

SP FLT ACCT CR

*YOUR COST*  
*\$ 35,400.00*  
*+ 2832.00 TAX*  
*+ 8.75 Title Fee*  
*+ 25.00 E-Filed*  
*\$ 38,265.75 TOTAL*

**RAZZARI FORD MAZDA**  
**1234 AUTO CENTER DRIVE**

**MERCED, CA 95341**



## ADMINISTRATIVE REPORT

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**Agenda Item: I.5.**

**Meeting Date: 3/7/2016**

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**Report Prepared by:** *Matt Williams, Captain, Police Department*

**SUBJECT:** Contract Agreement With the County of Merced

### REPORT IN BRIEF

Enter into an agreement to provide parking enforcement in County parking lots.

### RECOMMENDATION

**City Council** - Adopt a motion approving an agreement between the City of Merced and the County of Merced for the police department to conduct parking enforcement in the County parking lots; and authorizing the City Manager to execute the necessary documents.

### ALTERNATIVES

1. Approve, as recommended by staff; or,
2. Approve, subject to other than recommended by City Council; or,
3. Deny; or,
4. Refer to staff for reconsideration of specific items; or,
5. Continue to a future meeting.

### AUTHORITY

Charter of the City of Merced, Section 200.

### CITY COUNCIL PRIORITIES

As provided for in the "2015-16 Adopted Budget."

### DISCUSSION

The County of Merced approached the City with a request to have the City Police Department provide parking enforcement on all County-owned parking lots within the jurisdiction of the City of Merced.

An agreement has been prepared by the County, and approved by the City Attorney's Office, for this purpose. The contract sets the term as five years beginning on the date the agreement is entered into. Either the City or the County may terminate the agreement with sixty days' notice to the other party.

The agreement provides that the City Police Department will provide parking enforcement at all



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County-owned parking lots within the City similar to that as provided to City-owned lots. The City will provide the citation forms, and will handle any matters related to appeals from citations issued under this agreement.

The County shall be responsible for completing all appropriate posting, signing, and all curb markings as required, as well as the maintenance thereof.

The City shall be compensated for services by retaining all revenues generated by each citation issued.

The Agreement has been reviewed by and is acceptable to the Chief of Police.

### **IMPACT ON CITY RESOURCES**

Parking enforcement will be provided by the City on an “as time permits basis.”

### **ATTACHMENTS**

1. Merced County Contract

# AGREEMENT FOR PARKING ENFORCEMENT OF COUNTY PARKING LOTS

**Merced County**  
**Contract No. \_\_\_\_\_**

THIS AGREEMENT is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2016, by and between the City of Merced, a California Charter Municipal Corporation, whose address of record is 678 West 18<sup>th</sup> Street, Merced, California 95340, (hereinafter referred to as "City") and the County of Merced, a Political Subdivision of the State of California, whose address of record is 2222 M Street, Merced, California 95340, (hereinafter referred to as "County").

WHEREAS, County desires to have the City Police Department provide parking enforcement coverage on all County parking lots located within the jurisdiction of the City of Merced.

NOW, THEREFORE, the parties hereto, in consideration of the mutual covenants hereinafter recited, hereby agree as follows:

1. City Responsibilities:

A. The City Police Department shall extend parking enforcement coverage on County owned parking lots immediately surrounding the County Administration Building at 2222 M Street in Merced. County and City staff are authorized to expand enforcement to other County parking lots within the City's jurisdiction as mutually agreed upon.

B. Parking patrol of the above-described parking lots shall be provided by the City through the City Police Department Parking Enforcement Division on an "as time permits basis".

C. The City agrees to enforce the reserved parking areas immediately surrounding the County Administration Building if so requested through a letter from the County Executive Office. Enforcement would include verifying that the appropriate parking passes are displayed in vehicles parking in reserved spaces, as specified in the aforementioned letter. Such enforcement authority shall be on an 'as time permits' basis.

D. All parking citations shall be written on City parking citation forms.

E. The City shall give the County at least sixty 60 days advance notice of any changes regarding its fee schedule.

2. County Responsibilities:

A. County agrees to adopt an appropriate ordinance regulating parking on all County lots located within the jurisdiction of the City of Merced.

B. County shall be responsible for completing the appropriate posting, signing, and curb painting for parking control.

C. All on-going maintenance of the parking lots, postings, signings, and curb paintings shall be the responsibility of the County, at the County's sole expense.

3. Compensation: The City shall be compensated by retaining all revenues generated by each citation issued.

4. Term: This term of this Agreement shall begin on the date that the last party signs the agreement and shall continue for five years thereafter. Either party may terminate this Agreement upon sixty (60) days written notice to the other party.

5. Notices: All notices required or provided for under this Agreement shall be in writing and delivered in person or sent by certified mail, postage prepaid and presumed delivered upon actual receipt by personal delivery or within ten (10) calendar days following deposit thereof in United States Mail.

Notices required to be given to City shall be addressed as follows:

with a copy to:

City Clerk  
City of Merced  
678 W. 18th Street  
Merced, CA 95340

City Attorney  
City of Merced  
678 W. 18<sup>th</sup> Street  
Merced, CA 95340

Notices required to be given to the County shall be addressed as follows:

County Executive Office  
County of Merced  
2222 "M" Street  
Merced, CA 95340

6. Indemnification: The City shall indemnify, defend and hold harmless the County, its officers, employees and agents from and against any and all liability, expense, including defense cost, legal fees and claims for damages arising from or related to the City's intentional or negligent acts, errors, or omissions in the performance of this Agreement. The County shall indemnify, defend and hold harmless the City, its officers, employees and agents from and against any and all liability, expense, including defense cost, legal fees and claims for damages arising from or related to the County's intentional or negligent acts, errors, or omissions in the performance of this Agreement.

7. Release of County: Except for instances involving a breach by County of its obligations under this agreement, City hereby releases, remises, acquits and forever discharges County, its employees, agents, attorneys, and other representatives (collectively the "Released Parties") from and against any and all claims for compensation pertaining, directly or indirectly, to the parking enforcement coverage on all County parking lots located within the jurisdiction of the City of Merced.

8. Severability: If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall continue in full force without being impaired.

9. Governing Law: This Agreement shall be governed by and construed in accordance with the laws of the State of California.

10. Authority And Execution: This Agreement shall have no force or effect unless and until the County Board of Supervisors has granted its approval, which approval shall be obtained prior to County's execution of this Agreement.

11. Entire Agreement: This Agreement and the documents referenced herein contain the entire agreement between the parties to this Agreement and supersedes all previous agreements, promises, representations, understandings and negotiations, whether written or oral, among the parties with the respect to the parking enforcement coverage on all County parking lots located within the jurisdiction of the City of Merced. No addition or modification of any term or

provision shall be effective unless set forth in writing and signed by both City and County.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first above written.

CITY OF MERCED  
A California Charter Municipal Corporation

By: \_\_\_\_\_  
City Manager

Date: \_\_\_\_\_

ATTEST:  
CITY CLERK

By: \_\_\_\_\_  
Assistant/Deputy City Clerk

Date: \_\_\_\_\_

APPROVED AS TO FORM:

By: K. A. Aguilera  
City Attorney

Date: 2/8/16

ACCOUNT DATA:

By: \_\_\_\_\_  
Verified by Finance Officer

Date: \_\_\_\_\_

COUNTY OF MERCED

By: H. B. Walsh, Jr.  
Hubert "Hub" Walsh, Jr., Chairman  
Board of Supervisors

Date: JAN 12 2016

APPROVED AS TO LEGAL FORM

Merced County Counsel

By: James N. Fincher  
James N. Fincher

Date: 1/8/16



## ADMINISTRATIVE REPORT

**Agenda Item: I.6.**

Meeting Date: 3/7/2016

**Report Prepared by:** *Lindsey Johnson, Recreation Supervisor, Parks and Recreation*

**SUBJECT:** Appropriation of Funds Generated From Zoo Special Events and Activities

### REPORT IN BRIEF

Accept and appropriate revenues from zoo special events and activities that are put on by the City of Merced staff.

### RECOMMENDATION

**City Council** - Adopt a motion authorizing the Finance Officer to make appropriate budget adjustments

### ALTERNATIVES

1. Approve, as recommended by staff; or,
2. Approve, subject to other than recommended by staff (identify specific findings and/or conditions amended to be addressed in the motion); or,
3. Deny; or,
4. Refer to staff for consideration of specific items (specific items to be addressed in the motion); or,
5. Continue to future meeting (date and time to be specified in motion).

### AUTHORITY

Charter of the City of Merced, Section 200 and 1105.

### CITY COUNCIL PRIORITIES

As provided for in the 2015-16 Adopted Budget.

### DISCUSSION

With the addition of a second Zookeeper, the staff at Applegate Park Zoo are beginning to offer more events and programs, which generate revenue. One example would be the "Lights Before Christmas" event that was well received by the community with approximately 1,000 attendees. Other future plans include behind-the-scene zoo tours, an Easter event, movies at the zoo, and programs with the local schools.

There are currently no funds in the Zoo budget to pay for materials and supplies needed for these types of events, so an appropriation of the revenue generated from these programs is needed to pay for their costs.

The current contract with the Merced Zoological Society provides that the Society may undertake the



following specific activities, one of which is “Collect an entry fee to the Zoo on behalf of the City for group tours and special events”. The contract also states that “While it is anticipated that this revenue will amount to approximately thirty percent (30%) of the operating budget for the Zoo for fiscal year 2015/2016, Society guarantees that the combined entry fees and Society’s contribution will be at least Eighty-Five Thousand Dollars (\$85,000.00). In the event that entry fees and contributions exceed this amount, any additional monies collected in entry fees shall be given to City and used to reduce General Fund expenditures in the Zoo budget”.

Given that the current budget does not include revenue or expenditure authority for these additional programs and the current contract requires any funds received beyond the \$85,000 to reduce General Fund support it is necessary to receive City Council authorization to use revenues received beyond the \$85,000 for specific new programs.

It is anticipated that the additional amount to be received in 2015/2016 is \$3,000.00

### **IMPACT ON CITY RESOURCES**

There is no impact.



# CITY OF MERCED

Merced Civic Center  
678 W. 18th Street  
Merced, CA 95340

## ADMINISTRATIVE REPORT

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**Agenda Item: I.7.**

**Meeting Date: 3/7/2016**

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**Report Prepared by:** *John Tresidder, Assistant City Clerk, City Clerk's Office*

**SUBJECT:** Ordinance Dealing with No Parking Zones (Canal Street)

### REPORT IN BRIEF

Second reading of previously introduced ordinance.

### RECOMMENDATION

**City Council** - Adopt **Ordinance 2455**, an Ordinance of the City Council of the City of Merced, California, Amending Section 10.28.230, "No Parking Zones" of the Merced Municipal Code.

### ALTERNATIVES

1. Adopt, as recommended by the Traffic Committee; or,
2. Continue to a future meeting; or,
3. Deny.

### AUTHORITY

This request amends the designated no parking zones listed in Merced Municipal Code (MMC) Section 10.28.230.

The California Vehicle Code (CVC) gives a local body (or official) jurisdiction for traffic control devices, provided the devices are installed in accordance with the State Traffic Manual.

### ATTACHMENTS

1. Ordinance



**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE OF THE CITY COUNCIL OF  
THE CITY OF MERCED, CALIFORNIA,  
AMENDING SECTION 10.28.230, "NO PARKING  
ZONES," OF THE MERCED MUNICIPAL CODE**

**THE CITY COUNCIL OF THE CITY OF MERCED DOES ORDAIN  
AS FOLLOWS:**

**SECTION 1. AMENDMENT TO CODE.** Section 10.28.230, "No Parking Zones", of the Merced Municipal Code is hereby amended by adding the following portions of the following street:

**"Street:**

**Portion:**

East side of Canal Street

Beginning at the southern return of the driveway facing Canal Street for the entrance to 459 West 25th Street, then southerly 8 feet.

East side of Canal Street

Beginning at the northern return of the driveway facing Canal Street for the entrance to 459 West 25th Street, then northerly 8 feet."

**SECTION 2. EFFECTIVE DATE.** This Ordinance shall be in full force and effect thirty (30) days after its adoption.

**SECTION 3. SEVERABILITY.** If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance, is for any reason held to be invalid or unconstitutional by the decision of any court of

competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance, and each section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional.

**SECTION 4. PUBLICATION.** The City Clerk is directed to cause a summary of this Ordinance to be published in the official newspaper at least once within fifteen (15) days after its adoption showing the vote thereon.

The foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Merced on the \_\_\_\_ day of \_\_\_\_\_, 2016, and was passed and adopted at a regular meeting of said City Council held on the \_\_\_\_ day of \_\_\_\_\_, 2016, by the following called vote:

**AYES: Council Members:**

**NOES: Council Members:**

**ABSTAIN: Council Members:**

**ABSENT: Council Members:**

**APPROVED:**

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**Mayor**

**ATTEST:  
CITY CLERK**

**BY:** \_\_\_\_\_  
**Assistant/Deputy City Clerk**

**(SEAL)**

**APPROVED AS TO FORM:**

Ken Angel      1/26/16  
**City Attorney**      **Date**



## ADMINISTRATIVE REPORT

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**Agenda Item: J.1.**

**Meeting Date: 3/7/2016**

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**Report Prepared by:** *Tonya Mora, Management Analyst, Police Department*

**SUBJECT:** Adoption of a Resolution for an Exemption to CalPERS 180-Day Wait Period Pursuant to Government Code Sections 7522.56 and 21224

### REPORT IN BRIEF

Adoption of a resolution approving the hiring of Roberta Medina as an extra-help retired annuitant to perform the duties of a Temporary Community Services Officer under Government Code sections 7522.56 and 21224, effective March 14, 2016.

### RECOMMENDATION

**City Council** - Adopt **Resolution 2016-08**, a Resolution of the City Council of the City of Merced, approving an exception to the CALPERS 180-day wait period pursuant to Government Code sections 7522.56 and 21224.

### ALTERNATIVES

1. Approve as recommended; or
2. Deny; or
3. Take no action.

### AUTHORITY

Section 200 of the City of Merced Charter.  
California Government Code sections 7522.56 and 21224.

### CITY COUNCIL PRIORITIES

As provided for in the 2015-16 Adopted Budget.

### DISCUSSION

California Government Code section 7522.56, subdivision (f)(1) provides that a CalPERS retiree is not eligible to work for a CalPERS employer for a period of 180 days following the date of their retirement unless an exception applies. One such exception allows the 180-day waiting period to be waived if the retired employee is needed to fill a critically-necessary position and the employee has the specialized skills and knowledge for the position. Under this circumstance, the retired employee can be hired before the expiration of the 180-day waiting period if the governing body of the CalPERS agency certifies through the adoption of a resolution that the appointment is necessary to fill a critical need. Additional requirements for the post-retirement employment include:

- 
- The retired employee can only work for a limited duration and must be hired into a retired annuitant or part-time temporary/extra-help position (not a permanent part-time position);
  - The retired employee can only work 960 hours in a fiscal year (July 1 to June 30);
  - The retired employee can only be paid an hourly compensation without benefits or any additional or special compensation;
  - The compensation paid to the retired employee must be an hourly rate that is not greater than nor less than the hourly rate on the salary schedule for the equivalent position; and,
  - The appointment of the employee must be made by the governing body at a public meeting and the appointment cannot be placed on a consent calendar.

Roberta Medina retired from the City on December 31, 2015, as a Community Services Officer. Ms. Medina worked for the City as a Community Services Officer, or the equivalent position as a Code Enforcement Officer, for 17 years. She has invaluable institutional knowledge of the City's Code Enforcement procedures and practices. Following the retirement of Ms. Medina, the City hired two (2) new Community Services Officers who now need to be properly trained to perform their job duties. Ms. Medina has the necessary experience, skills, and temperament to train these new-hires so that they can independently perform the essential functions of their jobs. The City does not have another experienced Community Services Officer who can train the new-hires.

The attached resolution authorizes the City Council to make the required findings to allow Ms. Medina to be hired as a Temporary Community Services Officer on March 14, 2016, which is before the expiration of her 180-day post-retirement wait period. As set forth in further detail in the attached resolution, Ms. Medina will be paid on an hourly basis within the same hourly range as other employees performing the same duties. Moreover, her hours will not exceed 960 hours in a fiscal year and no other benefits will be paid or provided.

Approval of the attached resolution is therefore requested to waive the 180-day waiting period to allow the City to hire Ms. Medina on March 14, 2016, to coincide with the start date of the new Community Services Officers.

## **IMPACT ON CITY RESOURCES**

Funds are available in the 2015/2016 Police Budget to cover this temporary cost; no additional funding is needed.

## **ATTACHMENTS**

1. Resolution No. 2016-08

**RESOLUTION NO. 2016-\_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF MERCED, CALIFORNIA, FOR  
EXEMPTION TO THE 180-DAY WAIT PERIOD  
GOVERNMENT CODE SECTIONS 7522.56 &  
21224**

WHEREAS, in compliance with Government Code section 7522.56 the City Council of the City of Merced must provide CalPERS this certification resolution when hiring a retiree before 180 days has passed since his or her retirement date; and

WHEREAS, Roberta Medina retired from the City of Merced in the position of Community Services Officer, effective December 31, 2015; and

WHEREAS, Roberta Medina has had a 60-day separation in service between her retirement date and the date her temporary employment will begin; and

WHEREAS, section 7522.56 requires that post-retirement employment commence no earlier than 180 days after the retirement date, which is June 28, 2016, without this certification resolution; and

WHEREAS, section 7522.56 provides that this exception to the 180-day wait period shall not apply if the retiree accepts any retirement-related incentive; and

WHEREAS, the City Council, the City of Merced and Roberta Medina certify that Roberta Medina has not and will not receive a Golden Handshake or any other retirement-related incentive; and

WHEREAS, the City Council hereby appoints Roberta Medina as an extra help retired annuitant to perform the duties of a Temporary Community Services Officer for the City of Merced under Government Code section 21224, effective March 14, 2016; and

WHEREAS, the entire employment agreement, contract or appointment document between Roberta Medina and the City of Merced has been reviewed by this body and is attached herein; and

WHEREAS, the matters, issues, terms or conditions related to this employment and appointment have not and will not be placed on a consent calendar; and

WHEREAS, the employment shall be limited to 960 hours per fiscal year; and

WHEREAS, the compensation paid to retirees cannot be less than the minimum nor exceed the maximum monthly base salary paid to other employees performing comparable duties, divided by 173.333 to equal the hourly rate; and

WHEREAS, the maximum base salary for this position is \$4,669.55 and the hourly equivalent is \$26.93, and the minimum base salary for this position is \$3,841.50 and the hourly equivalent is \$22.16; and

WHEREAS, the hourly rate paid to Roberta Medina will be \$26.93; and

WHEREAS, Roberta Medina has not and will not receive any other benefit, incentive, compensation in lieu of benefit or other form of compensation in addition to this hourly pay rate.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MERCED DOES HEREBY RESOLVE, DETERMINE, FIND, AND ORDER AS FOLLOWS:

SECTION 1. The City Council of the City of Merced hereby certifies the nature of the appointment of Roberta Medina as described herein and detailed in the attached employment agreement/contract/appointment document and that this appointment is necessary to fill the critically needed position of Temporary Community Services Officer for the City of Merced effective March 14, 2016. Specifically, the City has a critical need for an experienced Community Service Officer to work with and provide necessary training for the City's two newly hired Community Service Officers, who recently commenced employment with the City. The City currently has one Community Service Officer who has only been employed by the City for approximately one year. This employee has not been a Community Service Officer long enough to be able to train the newly hired Community Service Officers. Accordingly, this work cannot be performed by any other current City employee. Ms. Medina was employed by the City as a Community Service Officer and the equivalent position of Code Enforcement officer for 17 years. She possesses skills and experience that are unique to her and

the position of Community Service Officer. This temporary appointment will provide the Police Department with the necessary resources to train the new hires who will in turn be able to provide the community with a high level of community policing services.

PASSED AND ADOPTED by the City Council of the City of Merced at a regular meeting held on the 7th day of March 2016, by the following vote:

AYES: Council Members:

NOES: Council Members:

ABSENT: Council Members:

ABSTAIN: Council Members:

APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:  
CITY CLERK

BY: \_\_\_\_\_  
Assistant/Deputy City Clerk

(SEAL)

APPROVED AS TO FORM:

Kelly Fincher 2/23/16  
City Attorney Date



**CITY OF MERCED  
PERSONNEL ACTION FORM**

**ACTION:** ☐ New Hire ☒ Rehire ☐ Separation ☐ Status Change ☐ Other (Remarks required)

EMPLOYEE LEGAL NAME MEDINA, ROBERTA EE # \_\_\_\_\_

EMPLOYEE TYPE ☐ Regular ☒ Temporary UNIT TP \_\_\_\_\_

DEPT/DIVISION NAME POLICE/CODE ENFORCEMENT FUND DEPT#001/1005

EFFECTIVE DATE OF ACTION 3/14/16 PAY PERIOD 7

Separation Date \_\_\_\_\_ Last Day Worked \_\_\_\_\_ Last Day Paid \_\_\_\_\_

Leave of Absence: \_\_\_\_\_ Leave Begins Date: \_\_\_\_\_ Leave End Date: \_\_\_\_\_

FROM: Class Code 9028 Title TEMP COMMUNITY SERVICES OFFICER Range/Pay Step 593/5

TO: Class Code \_\_\_\_\_ Title \_\_\_\_\_ Range/Pay Step \_\_\_\_\_

PROBATION ENDS: \_\_\_\_\_ hrs. PAY RATE: Monthly: 4669.5 Biweekly: 2155.18

NEXT ACTION DATE: \_\_\_\_\_ Hourly: 26.93

**Remarks:** Employee retired from City employment effective 12/31/15 as a Community Services Officer and is being rehired as a part-time Temporary Community Services Officer for a limited term to provide training to newly hired Community Service Officers. Employee cannot work more than 960 hours between March 14, 2016 and June 30, 2016. Employee will be paid on an hourly basis only and is not eligible for any benefits, incentives or special or additional compensation. Employee is being hired as an At-Will employee, who serves at the pleasure of the City Manager. Employee's employment is contingent on the City receiving approval from CalPERS to waive the 180-day waiting period for temporary re-employment.

PREPARED BY: TONYA MORA DATE: 2/23/16

DEPARTMENT DIRECTOR: \_\_\_\_\_ DATE: 2/23/16

DIRECTOR OF SUPPORT SERVICES: \_\_\_\_\_ DATE: \_\_\_\_\_

**Remarks:**

CITY MANAGER: \_\_\_\_\_ DATE: \_\_\_\_\_

**Remarks:**

1/15/16

PRX48

## MONTHLY, BIWEEKLY, AND HOURLY RATES

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JOB CLASS/RANGE/B.U./TITLE	1	2	3	4	5
	2300.02	2415.03	2535.78	2662.57	2795.71
09025 247 TP	1061.55	1114.63	1170.36	1228.88	1290.33
TEMP CLERK TYPIST I	13.2694	13.9329	14.6295	15.3610	16.1291
	3803.23	3993.38	4193.06	4402.71	4622.84
09026 366 TP	1755.34	1843.10	1935.26	2032.02	2133.62
TEMP CODE ENFORCEMENT OFFICER	21.9417	23.0388	24.1907	25.4003	26.6703
	3841.65	4033.74	4235.42	4447.19	4669.55
09028 593 TP	1773.07	1861.73	1954.81	2052.55	2155.18
TEMP COMMUNITY SERVICES OFC	22.1634	23.2716	24.4351	25.6569	26.9397
	2606.41	2736.73	2873.58	3017.25	3168.12
09040 104 TP	1202.96	1263.11	1326.27	1392.58	1462.21
TEMP CUSTODIAN	15.0370	15.7889	16.5784	17.4072	18.2776
	.00	.00	.00	.00	.00
09045 1 TP	.00	.00	.00	.00	.00
TEMP DEPARTMENT AIDE	.0000	.0000	.0000	.0000	.0000
	.00	.00	.00	.00	.00
09166 762 TP	.00	.00	.00	.00	.00
TEMP DEVELOPMENT ASSOCIATE	.0000	.0000	.0000	.0000	.0000
	5392.55	5662.19	5945.29	6242.57	6554.70
09046 802 TP	2488.87	2613.32	2743.98	2881.19	3025.25
TEMP DEVELOPMENT COORDINATOR	31.1109	32.6665	34.2998	36.0149	37.8156
	2775.95	2914.73	3060.50	3213.51	3374.19
09047 324 TP	1281.21	1345.26	1412.54	1483.16	1557.32
TEMP DEVELOPMENT SERVICES TECH	16.0151	16.8158	17.6567	18.5395	19.4665
	8509.86	8935.37	9382.12	9851.22	10343.79
09048 870 TP	3927.63	4124.02	4330.21	4546.72	4774.06
TEMP DIRECTOR SUPPORT SERVICES	49.0954	51.5502	54.1276	56.8340	59.6757
	3165.30	3323.55	3489.76	3664.22	3847.43
09050 571 TP	1460.91	1533.95	1610.66	1691.18	1775.74
TEMP DISPATCHER I	18.2614	19.1744	20.1332	21.1398	22.1967
	3489.22	3663.66	3846.85	4039.20	4241.16
09055 592 PN	1610.41	1690.92	1775.47	1864.25	1957.46
TEMP DISPATCHER II	20.1301	21.1365	22.1934	23.3031	24.4683
	3962.89	4161.04	4369.08	4587.57	4816.93
09049 382 TP	1829.03	1920.48	2016.50	2117.34	2223.20
TEMP ENGINEERING TECH III	22.8629	24.0060	25.2063	26.4667	27.7900
09057 402					
TEMP ENGINEERING TECHNICIAN IV					
	3717.45	3903.33	4098.51	4303.43	4518.60
09051 171 TP	1715.75	1801.54	1891.62	1986.20	2085.51
TEMP ENV CONTROL OFFICER I	21.4469	22.5193	23.6452	24.8275	26.0689



## ADMINISTRATIVE REPORT

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**Agenda Item: J.2.**

**Meeting Date: 3/7/2016**

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**Report Prepared by:** *Kenneth Rozell, Senior Deputy City Attorney*

**SUBJECT:** Cardrooms

### REPORT IN BRIEF

Provides a brief overview of existing City cardroom regulations and outlines potential areas of modification that the City Council may consider, if desired.

### RECOMMENDATION

Staff recommends that the City Council take public testimony regarding cardrooms and either:

- A. Provide direction to staff regarding any proposed modifications to the City's existing cardroom regulations; or,
- B. Take no further action regarding this matter.

### AUTHORITY

City of Merced Charter, Section 200.

### CITY COUNCIL PRIORITIES

Not Applicable

### DISCUSSION

#### Background

At the City Council meeting on February 1, 2016, the City Council directed that staff place an item on the agenda regarding cardrooms.

Currently, two cardrooms are located in the City of Merced - Poker Flats Casino and the Merced Poker Room. Under City regulations, no additional cardrooms can be located within the City without approval of a majority of the voters of the City. (Merced Municipal Code Section 9.08.020(D).)

In addition, under existing City regulations, "[n]o person shall operate a cardroom with more than four card tables. There shall be no more than eight (8) card tables in the city." (Merced Municipal Code Section 9.08.020(D).)

Finally, City regulations currently prohibit "any single bet or wager in excess of three hundred dollars

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(\$300.00) or at any time during any game to permit an ante in excess of two hundred dollars (\$200.00) total sum anted by players participating in the game.” (Merced Municipal Code Section 9.08.020(E).)

### Discussion

Without approval by a majority of the voters of the City, the City Council cannot allow an increase in the number of cardrooms within the City. If desired, however, the City Council may increase the number of card tables in the City from eight card tables to 16 tables without voter approval. This is based upon the following statutory language:

1. Business and Professions Code Section 19961, subd. (a)(2) (an increase of less than 25 percent of the number of existing tables -- i.e., one additional table);
2. Business and Professions Code Section 19961.06, subd. (a) (an increase of two additional tables);
3. Business and Professions Code Section 19961.06, subd. (b) (an increase of two additional tables); and
4. Business and Professions Code Section 19965 (an increase of three additional tables).

If the City Council wishes to increase the number of card tables, it may increase the number of tables by the authorized eight additional tables or may select to increase the number in a lesser amount (i.e., one to seven additional tables).

If desired, the City Council also has the option (without voter approval) to increase the amount of any single bet or wager to an amount greater than the current limit of \$300 and/or increase the current limit of an ante to an amount greater than \$200. Alternatively, the City Council could elect to remove all limits on any single bet or wager and/or any ante.

To summarize the issues for the City Council to consider as it relates to cardrooms:

1. Does the City Council wish to increase the number of card tables in the City?
2. If so, does the City Council wish to increase the number of card tables to the statutorily allowed number of 16 card tables within the City or to some number of tables less than 16 but greater than 8?
3. If the City Council wishes to expand the number of card tables to up to 8 additional card tables, how does the City Council wish to allocate the new card tables between the existing cardrooms in the City? (Any increase in the number of tables would first require an amendment to the cardroom’s conditional use permit.)
4. Does the City Council wish to increase the amount of any single bet or wager to an amount greater than \$300?

5. Does the City Council wish to increase the amount of any ante to an amount greater than \$200?
6. If the City Council wishes to increase or remove the limits on any single bet or wager and/or or any ante, to what new limit(s)-if any-does the City Council wish to increase such bet or wager or ante?
7. Does the City Council wish to impose a "table fee" on additional tables to cover the additional cost of enforcement associated with the expanded use? (If the table fee exceeds the additional cost of enforcement, the new fee would require voter approval.)
8. Does the City Council wish to impose a tax and/or new franchise fee on cardrooms in the City or on cardrooms that expand the number of tables? (A new tax or franchise fee on cardrooms would require voter approval.)

### **IMPACT ON CITY RESOURCES**

No appropriation of funds is needed.

### **ATTACHMENTS**

None.



# CITY OF MERCED

Merced Civic Center  
678 W. 18th Street  
Merced, CA 95340

## ADMINISTRATIVE REPORT

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**Agenda Item: K.1.**

Meeting Date: 3/7/2016

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**SUBJECT:** Discussion on City Manager Evaluation Form

### REPORT IN BRIEF

This item is in response to Council Member Belluomini's request to discuss changes to the City Manager Evaluation Form.

### ATTACHMENTS

1. City of Merced Current City Manager Evaluation Form
2. Council Member Belluomini's Proposed Changes to City Manager Evaluation Form
3. City of Tracy City Manager Evaluation Form
4. City of Ojai City Manager Evaluation Form
5. ICMA City Manager Evaluation Form Template

**SUMMARY REPORT**  
**CITY OF MERCED**  
**CITY MANAGER PERFORMANCE EVALUATION**

Date: \_\_\_\_\_

**POINT ASSIGNMENTS & CONSENSUS/MAJORITY EVALUATION**

NOTE: To be completed by Mayor. This summary will not reflect the identity of any Councilmember. Comments are aggregated and attached.

**PART I**

Instructions: Transfer the point value (i.e., 1-7) for each performance expectation question from each Councilmembers evaluation to the corresponding question on this summary report. To complete the calculations for the Consensus/Majority, total the points for each question and divide by the number of numerical responses, excluding zeros and blanks (i.e., if points are given for four questions and one question was left blank divide by four). Then add all the Consensus/Majority Evaluation points in the last column to obtain an overall total score (the maximum score possible is 308; the minimum is 44). Divide the total score by 44 to obtain an overall rating on a scale of 1-7.

I. RELATIONS WITH THE CITY COUNCIL	COUNCILMEMBER							TOTAL POINTS (Add #1 - #7)	CONSENSUS/ MAJORITY EVALUATION
	#1	#2	#3	#4	#5	#6	#7		
A. Does the City Manager maintain effective and open lines of communication with the Council as a body and with individual members?									
B. Is the Council kept apprised of all ongoing and current situations involving City business?									
C. Does the City Manager exercise sound judgment when advising the Council?									
<b>II. PLANNING</b>									
A. Does the City Manager anticipate needs and recognize potential problems?									
B. Does the City Manager propose effective solutions and provide alternatives to identified problems?									
C. In making decisions, does the City Manager obtain the facts and consider the long-term implications?									
D. Does the City Manager provide Council with all information necessary to make decisions?									
<b>III. ORGANIZATION SKILLS</b>									
A. Does the City Manager exhibit the ability to arrange work and efficiently apply resources?									
B. Does the City Manager make decisions when sufficient information is available and implement action when conditions are ripe for success?									
C. Does the City Manager exhibit the ability to reach for effective and, when necessary, creative solutions?									
D. Does the City Manager obtain the best possible end result for the money spent?									
E. Do the departments run smoothly, and is there adequate internal communication among staff and between staff and the City Manager?									

CITY MANAGER EVALUATION - SUMMARY REPORT									
IV. BUDGET/FINANCE	COUNCILMEMBER							TOTAL POINTS (Add #1 - #7)	CONSENSUS/ MAJORITY
	#1	#2	#3	#4	#5	#6	#7		
A. Does the City Manager adequately and accurately report and project the financial condition of the City in a timely manner?									
B. Are management practices and policies designed to maintain a sound long-range financial position?									
C. Are plans for the long-term replacement and maintenance of equipment updated regularly?									
D. Does the City Manager implement effective programs to limit liability and loss?									
E. Are there short and long-term goals for asset management?									
F. Does the City Manager suggest and pursue creative solutions to financial issues?									
V. COMMUNITY RELATIONS									
A. Is the City Manager approachable, available and visible to the public?									
B. Does the City Manager take the public's concerns and problems seriously and recognize their right and need to be well informed?									
C. Does the City Manager communicate openly, clearly and honestly with the public?									
D. Does the City Manager project an image of the City to the community that represents service, integrity, sensitivity to public needs and professionalism?									
E. Does the City Manager foster positive relationships with community organizations as a means of enhancing communication and involvement?									
VI. PERSONNEL RELATIONS									
A. Does the City Manager build and motivate a team?									
B. Does the City Manager earn the cooperation and respect of subordinates?									
C. Does the City Manager encourage employees to update their skills and training?									



CITY MANAGER EVALUATION - SUMMARY REPORT									
VI. PERSONNEL RELATIONS (cont.)	COUNCILMEMBER							TOTAL POINTS (Add #1 - #7)	CONSENSUS/ MAJORITY EVALUATION
	#1	#2	#3	#4	#5	#6	#7		
D. Does the City Manager promote team work and cooperation among the Managers?									
E. How do you rate the City Manager's overall management style in dealing with employees?									
F. Does the City Manager recognize the value of excellence in employees and use all reasonable efforts to ensure that the best available individuals are recruited, hired and continue to work for the City?									
G. Does the City Manager ensure annual evaluations for all employees?									
<b>VII. MANAGEMENT SKILLS</b>									
A. Does the City Manager have the ability to resolve the conflicts inherent in a public agency?									
B. Is the City Manager a good negotiator?									
C. Does the City Manager listen to and understand the positions and circumstances of others and communicate that understanding?									
D. Does the City Manager handle stress well?									
E. Does the City Manager exhibit resilience; i.e. maintains motivation and energy in spite of constant demands?									
F. Does the City Manager follow through in a timely manner on commitments and requests?									
G. Is the City Manager proactive in recognizing issues and initiating action?									
H. Does the City Manager handle people well in difficult situations?									
<b>VIII. LEADERSHIP</b>									
A. Does the City Manager inspire a shared vision and enlist staff and Council support?									
B. Does the City Manager seek opportunities to improve the organization and pursue them?									
C. Does the City Manager enable others to act by creating an atmosphere of trust and collaboration?									
D. Does the City Manager create standards of excellence and model the behavior?									

CITY MANAGER EVALUATION - SUMMARY REPORT									
VIII. LEADERSHIP (cont.)	COUNCILMEMBER							TOTAL POINTS (Add #1 - #7)	CONSENSUS/ MAJORITY EVALUATION
	#1	#2	#3	#4	#5	#6	#7		
E. Does the City Manager conform to the high ethical standards of the profession?									
F. Has the City Manager met the goals established by the City Council during this evaluation period?									
OVERALL TOTAL SCORE (Total the numbers in last column and divide by 44 to obtain Consensus/Majority Evaluation Ranking):									
<p><b>PART I (cont.)</b></p> <p>List on a separate sheet all comments corresponding to categories I through VIII of the Evaluation (i.e. Relations with the City Council; Planning; Organization Skills; Budget/Finance; Community Relations, Personnel Relations; Management Skills; Leadership).</p> <p><b>PART II</b></p> <p>List on a separate sheet all comments corresponding to Part II of the evaluation (City Council observations).</p> <p><b>PART III</b></p> <p>List on a separate sheet, grouped by order of priorities, all goals corresponding to Part III of the Evaluation.</p>									
<p>Final Summary Report Dated:</p> <p>_____</p> <p>Signed: _____</p> <p>_____</p> <p>Mayor</p>									<p>Receipt Acknowledged:</p> <p>_____</p> <p>_____</p> <p>City Manager</p>

February 29, 2016

TO: Council Members, Merced City Council  
FROM: Michael Belluomini  
REF: City Manager Evaluation Form Changes

This memo explains some of the city manger evaluation form changes I asked to discuss and are on the agenda March 7, 2016. The proposed changes are organized by section of the evaluation form.

#### I. RELATIONS WITH THE CITY COUNCIL

I recommend adding a new question 'D': Does the City Manager take direction from Council and follow that direction? This is a critical question. For the council to be effective and responsible to its citizens it only has two city employees it can direct to make changes. This question is very different from the evaluation question regarding whether he accomplished the council goals. He could accomplish a council goal through methods not authorized. A hypothetical example is to offer labor contract settlement terms that are more expensive than authorized by council. He could be slow to provide information the council requests and needs to formulate goals. If the manager does not take or follow direction to provide information then the council is not able to work effectively for its citizens.

#### III. ORGANIZATION SKILLS

I recommend adding a new question 'F': Does the City Manager function well as the City Clerk? Under the City Charter the city council can appoint and evaluate an independent city clerk. In order to reduce expenses, the city manager has been given the city clerk's position. Acting as clerk to the council can be critical to the council's options and legal exposure. The failure to properly post public notices or to do so in an untimely fashion can constrain the council's effectiveness. When council wants to postpone a decision for two weeks to the next meeting so it can receive more information, but is told it cannot because the funding deadline, contractual deadline or legal limit for council to act on an appeal is within the week, then council options to effectively meet its responsibilities are limited by the preparation of the council agenda. When draft council minutes are presented four months or later after the meeting, it can be difficult for council members to agree on or make progress on what was decided months before.

## VII. MANAGEMENT SKILLS

I recommend rewording question 'A' which reads "Does the City Manager have the ability to resolve the conflicts inherent in a public agency?" These words can mean many things and so examples of such inherent conflicts should be listed to ensure council members are considering the same things when doing the evaluation. I do not know what these "inherent conflicts in a public agency" are, but perhaps other council members or staff can list the conflicts or provide a definition.

## INSTRUCTIONS ON CALCULATING THE OVERALL RATING

The evaluation procedure instructions direct that each evaluation question be rated between 7 (Exceeded expectations) through 1 (did not meet expectations) for each of the 44 evaluation questions. These scores are then totaled and divided by 44 to achieve an overall score. This procedure gives equal importance mathematically to all 44 questions. Seemingly redundant questions are given exaggerated importance and ought to be considered by council as to whether one of the questions should be eliminated. Redundant questions are VI-A and VI-D, promoting teamwork among managers; and VII-D and VII-E, maintaining enthusiasm in spite of stress. I recommend staff consolidate questions VI-A and VI-D into one question and questions VII-D and VII-E into one question.

Should question VIII-F receive more importance and points because it references the manager meeting council goals over the year?

# City Manager Evaluation

## City of Tracy

Please rate the city manager using the following scale:

<u>Rating</u>	<u>Description</u>	
1	Unacceptable	- Unsatisfactory performance
2	Conditional	- Requires Improvement
3	Satisfactory	- Meets Council expectations
4	Exceptional	- Generally exceeds Councils expectations
5	Outstanding	- Substantially exceeds Councils expectations

Please return your evaluation form to the Mayor as soon as possible.

### SPECIFIC EXPERTISE:

City Council Relations		
Does the City Manager support the City Council? Does he serve as a resource to Council, treating all equally and facilitating informed decisions? Does he make sure there is adequate information available prior to meetings? Is he willing to meet with council members to deal with individual problems and issues?	Rating	Comments:

Community Relations		
Does the City Manager foster and maintain cooperative working partnerships and communications within the community and the media? Has he gained respect by being visible and actively involved in the community? Does he work well with citizens and properly handle their complaints?	Rating	Comments:

Leadership		
Is the City Manager visible and approachable at all levels within the organization? Does he take a collaborative approach, and work to gain consensus while remaining apolitical? Is he a strategic thinker and visionary who is able to articulate the vision and foster creativity?	Rating	Comments:

Supervision		
Does the City Manager maintain a standard of respect for department head's ability and encourage their initiative? Does he value the contributions of all Department Heads? Does he challenge them to perform at their highest level?	Rating	Comments:

## City Manager Evaluation (cont'd)

### SPECIFIC AREAS OF EXPERIENCE:

Economic Development		
Does the city manager work well with business interests while protecting the City's interests? Does he work to provide a healthy setting for existing businesses while actively facilitating the establishment of new businesses? Does he encourage innovative and creative solutions to increase the city's tax base through economic development?	Rating	Comments:

  

Financial Management / Budget		
Does the City Manager ensure the budget is prepared and executed in the manner approved by the City Council? Does he ensure prudent fiscal management practices? Does he develop fiscal goals and objectives that are consistent with Council policy and direction?	Rating	Comments:

  

Technological Innovation and Efficiencies		
Does the City Manager encourage the use of technology to meet the City's service delivery strategies? Does he ensure systems are in place to streamline service and enhance efficiencies?	Rating	Comments:  1

Additional Comments:

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Name of Rater: \_\_\_\_\_

Date: \_\_\_\_\_

# City of Ojai

## CITY MANAGER PERFORMANCE EVALUATION

**City Manager:**

**Date**

**Evaluation Period From:**

**To:**

**Submitted by:**

The following pages define significant areas of responsibility for the City Manager position. In each section, examples of performance and responsibility are articulated to better explain each subject heading. Please rate the Manager's performance based on the following categories:

Rating	Performance	Definition
6	<b>Outstanding</b> Far exceeds all expectations	Generally applies to the top 1% of <u>all</u> employees in the workplace. This person's overall skills and abilities far exceed all expectations of the position. Demonstrated strong expertise within key areas of responsibilities. Consistently outstanding results beyond scope of the performance plan over entire period. Anticipates management's needs and executes plans flawlessly
5	<b>Excellent</b> Exceeds all expectations	Generally applies to the top 5-10% of <u>all</u> employees in the workplace. This person's overall skills and abilities greatly exceed the expectations of the position. Demonstrated strong expertise within key areas of responsibilities. Occasionally receives outstanding results beyond scope of the performance plan in some key areas of responsibility over entire performance period.
4	<b>Very Good</b> Meets all expectations	Generally applies to the next 20-25% of employees. Occasionally exceeds performance expectations of the position. Performed the most difficult parts of the job competently and thoroughly. Contributed significant results on their own initiative. Worked with a high level of independence, initiative and concern for the quality of the work or service produced by the organization
3	<b>Good</b> Meets all expectations	Generally applies to 40-50% of employees. Met <u>all</u> expectations of the position, and is competent in the performance of responsibilities.
2	<b>Fair</b> Meets most expectations	Generally applies to 20% of employees. Often failed to meet performance expectations of the position. Performance was generally adequate, but is deficient in one or more key areas, and will require additional training or assistance to fully achieve expectations.
1	<b>Poor</b> Fails to meet most expectations	Generally applies to the bottom 4% of employees. Performance was well below expectations in most areas of responsibility. Serious performance deficiencies that inhibit adequate performance in the position. Employee should be evaluated for continuation of current position, demotion or termination of employment.
0	<b>Unsatisfactory</b> Fails to meet all expectations	Generally applies to the bottom 1% of employees. Performance was well below expectations in all areas of responsibility. Serious performance deficiencies that prohibit adequate performance in the position. Employee should be evaluated for continuation of current position, demotion or termination of employment.

Attachment A

Page 2 of 5

I. **MANAGEMENT OF THE ORGANIZATION:** Effectively runs the operations of the organization. Creates a collaborative, team building, environment for staff. Recognizes the accomplishments of staff and other agencies working on behalf of the City. Supports professional growth and opportunity within the organization. Accepts full accountability for staff and the outcome of City projects or decisions. Identifies organizational problems and takes remedial action.

<input type="checkbox"/>	6 – Outstanding	<input type="checkbox"/>	5 – Excellent	<input type="checkbox"/>	4 - Very Good
<input type="checkbox"/>	3 – Good	<input type="checkbox"/>	2 – Fair	<input type="checkbox"/>	1 - Poor
<input type="checkbox"/>	0 - Unsatisfactory				

*Comments:*

II. **EXECUTION OF POLICY:** Understands and complies with policies and procedures governing the City. Implements City policy, fairly and consistently, based upon Council decisions, goals, and applicable laws and regulations. Works toward accomplishing identified Council goals. Presents matters in a factual, analytical way. Coordinates Council policy decisions to staff, departments, other organizations and the community.

<input type="checkbox"/>	6 – Outstanding	<input type="checkbox"/>	5 – Excellent	<input type="checkbox"/>	4 - Very Good
<input type="checkbox"/>	3 – Good	<input type="checkbox"/>	2 – Fair	<input type="checkbox"/>	1 - Poor
<input type="checkbox"/>	0 - Unsatisfactory				

*Comments:*

III. **FINANCIAL MANAGEMENT:** Properly prepares and manages the budget. Demonstrates ingenuity and creativity in approaching budgetary matters, including long-range revenues and expenditures for the organization.

<input type="checkbox"/>	6 – Outstanding	<input type="checkbox"/>	5 – Excellent	<input type="checkbox"/>	4 - Very Good
<input type="checkbox"/>	3 – Good	<input type="checkbox"/>	2 – Fair	<input type="checkbox"/>	1 - Poor
<input type="checkbox"/>	0 - Unsatisfactory				

*Comments:*



IV. **RELATIONS WITH THE COUNCIL:** Provides regular updates to the Council, keeping them informed about current and critical issues. Makes an effort to be accessible to Council Members. Handles issues that are brought by the Council in a consistent and timely manner. Maintains an honest, truthful and professional relationship with each Councilmember. Keeps a positive attitude and approach to new ideas, issues and complaints raised by Council Members.

☐  
☐  
☐

**6 – Outstanding**  
**3 – Good**  
**0 - Unsatisfactory**

☐  
☐

**5 – Excellent**  
**2 – Fair**

☐  
☐

**4 - Very Good**  
**1 - Poor**

*Comments:*

V. **COMMUNITY RELATIONS:** Makes an effort to understand general community issues and concerns. Remains involved and active in the community. Represents the City well and in a professional and positive manner. Works proactively with the media and press. Works effectively with community organizations including the Chamber of Commerce, County of Ventura, School District and other agencies. Educates the community on City goals and services.

☐  
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**6 – Outstanding**  
**3 – Good**  
**0 - Unsatisfactory**

☐  
☐

**5 – Excellent**  
**2 – Fair**

☐  
☐

**4 - Very Good**  
**1 - Poor**

*Comments:*

VI. **COMMUNICATIONS:** Insures that Council Members receive important information in a timely and effective manner. Presents the Council and community with clear and accurate written reports and correspondence. Responds to correspondence, requests, and complaints, quickly and appropriately. Facilitates open two-way communication and encourages mutual honesty and respect with the community, Council and staff.

☐  
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**6 – Outstanding**  
**3 – Good**  
**0 - Unsatisfactory**

☐  
☐

**5 – Excellent**  
**2 – Fair**

☐  
☐

**4 - Very Good**  
**1 - Poor**

*Comments:*

**VII. LEADERSHIP:** Provides the Council and the organization with real solutions and creative alternatives to issues and problems. Anticipates and responds to issues. Assures that council decisions are thought out, objective, consistent with past practices and are legal and ethical. Makes use of sound administrative practices. Leads the organization through effective management of people and tasks.

☐  
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**6 – Outstanding**  
**3 – Good**  
**0 - Unsatisfactory**

☐  
☐

**5 – Excellent**  
**2 – Fair**

☐  
☐

**4 - Very Good**  
**1 - Poor**

*Comments:*

**VIII. PROFESSIONALISM:** Deals effectively and appropriately with the public and other organizations. Devotes time and energy to the job. Demonstrates high ethical standards in the organization. Works to keep “politics” and personal perspectives out of the decision making process. Stays active in professional organizations and regional issues.

☐  
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**6 – Outstanding**  
**3 – Good**  
**0 - Unsatisfactory**

☐  
☐

**5 – Excellent**  
**2 – Fair**

☐  
☐

**4 - Very Good**  
**1 - Poor**

*Comments:*

**ACHIEVEMENTS:** Identify a few of the top achievements or strong points you observed in the City Manager over the past year.

*Comments:*

**OBJECTIVES:** List two-to-three performance objectives which you feel are important for the City Manager to work on for the coming year.

*Comments:*

# City Manager Evaluation

Please rate the city manager using the following scale:

<u>Rating</u>	<u>Description</u>
1	Unacceptable - Unsatisfactory performance
2	Conditional - Requires Improvement
3	Satisfactory - Meets Council expectations
4	Exceptional - Generally exceeds Councils expectations
5	Outstanding - Substantially exceeds Councils expectations

Please return your evaluation form to the Mayor as soon as possible.

## Supervision

Does the City Manager maintain a standard of respect for department head's ability and encourage their initiative? Does he challenge them to perform at their highest level?	Rating	Comments:
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## Leadership

Does the city manager inspire others to succeed? Does he actively promote efficiency in operations? Does he demonstrate a high regard for personal ethics?	Rating	Comments:
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## Execution of Policy

Does he understand the laws and ordinances of the city and cause them to be fairly enforced?	Rating	Comments:
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## Community Relations

Does the city manager work well with citizens and properly handle their complaints?	Rating	Comments:
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## Administrative Duties

Does the city manager properly handle his administrative duties?	Rating	Comments:
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**Economic Development**

Does the city manager work well with developers while protecting the city's interest? Does he work to increase the city's tax base through economic development?	Rating	Comments:
--	--------	-----------

**Intergovernmental Relations**

Does the city manager cooperate cordially with neighboring communities and citizens while looking after the interests of Bonner Springs?	Rating	Comments:
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**City Council Relations**

Does the city manager work well with the city council in making sure there is adequate information available prior to meetings? Is he willing to meet with council members to deal with individual problems and issues?	Rating	Comments:
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**Planning**

Does the city manager involve himself in the planning process to the correct degree? Does he review the process and look for better ways to handle development activities?	Rating	Comments:
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**Financial Management / Budget**

Does the city manager ensure the budget is prepared and executed in the manner approved by the city council? Does he ensure the city's monies are managed properly?	Rating	Comments:
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Additional Comments:

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Name of Rater: \_\_\_\_\_

Date: \_\_\_\_\_



# CITY OF MERCED

Merced Civic Center  
678 W. 18th Street  
Merced, CA 95340

## ADMINISTRATIVE REPORT

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**Agenda Item: K.2.**

Meeting Date: 3/7/2016

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**SUBJECT:** Discussion on Finance Director Evaluation Form

### REPORT IN BRIEF

This item is in response to Council Member Belluomini's request to discuss changes to the Finance Director Evaluation Form.



# CITY OF MERCED

Merced Civic Center  
678 W. 18th Street  
Merced, CA 95340

## ADMINISTRATIVE REPORT

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**Agenda Item: K.3.**

**Meeting Date: 3/7/2016**

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**Report Prepared by:** *John Tresidder, Assistant City Clerk, City Clerk's Office*

**SUBJECT:** Confirmation of Date for Budget Priority Session

### REPORT IN BRIEF

Available dates for selection are:

Wednesday, March 9<sup>th</sup>

Thursday, March 10<sup>th</sup>

Wednesday, March 23<sup>rd</sup>

Monday, March 28<sup>th</sup>

Tuesday, March 29<sup>th</sup>

Wednesday, March 30<sup>th</sup>

Thursday, March 31<sup>st</sup>

### RECOMMENDATION

Select a date from the list to hold a Budget Priority Session.