



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

Tuesday, January 2, 2018

6:00 PM

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

Closed Session at 5:00 PM/Regular Meeting at 6:00 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 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 Chamber. 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 Chamber.

A. CLOSED SESSION ROLL CALL

B. CLOSED SESSION

- B.1. [18-009](#) **SUBJECT:** CONFERENCE WITH REAL PROPERTY NEGOTIATORS -
Property: 725 West 18th Street, Merced, CA; Agency Negotiator:
Frank Quintero, Director, Economic Development; Negotiating Parties:
City of Merced and Fluetsch and Busby Insurance; Under Negotiation:
Price and Terms of Payment.
- B.2. [17-643](#) **SUBJECT:** PUBLIC EMPLOYEE PERFORMANCE EVALUATION -
Title: City Manager; Authority: Government Code Section 54957

- B.3.** [17-639](#) SUBJECT: CONFERENCE WITH LABOR NEGOTIATORS -- Agency Designated Representative: City Manager Steve Carrigan; Employee Organization: American Federation of State, County, and Municipal Employees (AFSCME) Council 57; Local 2703; International Association of Fire Fighters, Local 1479; Merced Association of City Employees (MACE). AUTHORITY: Government Code Section 54957.6
- B.4.** [17-640](#) SUBJECT: CONFERENCE WITH LABOR NEGOTIATORS -- Agency Designated Representative: City Manager Steve Carrigan; Unrepresented Management AUTHORITY: Government Code Section 54957.6

C. CALL TO ORDER

- C.1. Invocation - Al Schaap, Gateway Church
- C.2. Pledge 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 the Public Financing and Economic Development Authority. City Council members receive a monthly stipend of \$20.00 by Charter for sitting as the City Council; and the Mayor receives an additional \$50.00 each month as a part of the adopted budget and Resolution 1975-37. The members of the Parking Authority and the Public Financing and Economic Development Authority receive no compensation.

E. REPORT OUT OF CLOSED SESSION

F. WRITTEN PETITIONS AND COMMUNICATIONS

G. 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. The Mayor may, at his discretion, reduce the time to 3 minutes if there are more than 3 speakers, in order to accommodate as many speakers as possible. State law prohibits the City Council from acting at this meeting on any matter raised during the public comment period. Members of the public who wish to speak on a matter that is listed on the agenda will be called upon to speak during discussion of that item.

H. CONSENT CALENDAR

Adoption of the Consent Calendar may be made by one motion of the City Council, provided that any Council member, 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.

H.1. [17-628](#) 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.

H.2. [18-003](#) SUBJECT: Information-Only Contracts

REPORT IN BRIEF

Notification of awarded Non-Public Works contracts under \$30,000 and of Public Works contracts under \$67,779.

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 FY 2017-2018 threshold of \$67,779.00, and Chapter 3.04.080 - 3.04.110 of the Merced Municipal Code to execute Non-Public Works contracts under the adjusted FY 2017-2018 threshold of \$30,000.00, the contracts listed on the attached table were entered into by the City.

H.3. [17-627](#) SUBJECT: Information Only - Site Plan Review Committee Minutes of November 16, 2017

RECOMMENDATION

For information only.

H.4. [17-624](#) SUBJECT: Information Only - Planning Commission Minutes of November 8, 2017

RECOMMENDATION

For information only.

H.5. [17-637](#) SUBJECT: Information Only - Bicycle Advisory Commission Minutes of

October 24, 2017

RECOMMENDATION

For information only.

H.6. [18-008](#)

SUBJECT: City Council/Public Financing and Economic Development/Parking Authority Meeting Minutes of November 20, 2017 and December 4, 2017

REPORT IN BRIEF

Official adoption of previously held meeting minutes.

RECOMMENDATION

City Council/Public Financing and Economic Development/Parking Authority - Adopt a motion approving the meeting minutes of November 20, 2017 and December 4, 2017.

H.7. [17-613](#)

SUBJECT: Supplemental Appropriation from the Refuse Unappropriated, Unreserved Fund Balance and Award a Contract to Alliance Refuse Trucks, Inc., for the Refurbishment of Two Refuse Trucks

REPORT IN BRIEF

Considers approving a supplemental appropriation from the refuse unappropriated, unreserved fund balance and awarding a contract to Alliance Refuse Trucks to refurbish one front-loading and one side-loading garbage truck.

RECOMMENDATION

City Council - Adopt a motion:

A. Appropriating from Fund 558-Refuse Unappropriated, Unreserved Fund Balance in the amount of \$336,330 for the refurbishment of two refuse trucks, and;

B. Awarding a contract to Alliance Refuse Trucks, Inc., in the amount of \$295,900 to refurbish one front loading and one side loading garbage truck; and,

C. Authorizing the City Manager or Assistant City Manager to execute the necessary documents and the Interim Finance Officer to make the necessary budget adjustments.

H.8. [17-581](#)

SUBJECT: Amendment to Agreement for Software Licensing with Superior, LLC (Formerly Sungard Public Sector) to Add Software Programming to the Alignment on Payroll Checks

REPORT IN BRIEF

Consider approving an Amendment for Software Licensing with Superior, LLC to add software programming to modify the alignment on payroll checks.

RECOMMENDATION

City Council - Adopt a motion approving Amendment No. 11 to the Software Licensing Agreement with Superior, LLC for \$800 so that programming can be performed to allow printing of payroll checks on the new, more secure check stock; and, authorizing the City Manager or Assistant City Manager to execute the necessary documents.

H.9. [17-634](#)

SUBJECT: Agreement with Merced Zoological Society

REPORT IN BRIEF

Annual agreement with Merced Zoological Society to contribute at least \$75,000 of the total operating budget for Fiscal Year 2017/2018.

RECOMMENDATION

City Council - Adopt a motion approving the agreement with the Merced Zoological Society for payment of at least \$75,000 (approximately 28%) of the total operating budget at the Zoo and authorizing the City Manager or Assistant City Manager to execute the necessary documents.

H.10. [17-638](#)

SUBJECT: Approval of Street Closure for the Annual Martin Luther King Jr. Community March and Celebration

REPORT IN BRIEF

Authorizes the use and closure of Martin Luther King Jr. Way from West 8th Street to West Main Street and a portion of the City parking lot in the 300 block of W. 18th Street on Monday, January 15, 2018 to hold a march, parade and food preparation for the annual Martin Luther King, Jr. parade, march and celebration.

RECOMMENDATION

City Council - Adopt a motion approving the request by Tamara Cobb and the Martin Luther King Jr. Celebration Committee to close Martin

Luther King Jr. Way from West 8th Street to West Main Street and to cone off a portion of the City parking lot in the 300 block of W. 18th Street on Monday, January 15, 2018, in order to hold the march and prepare food as part of a community celebration.

H.11. [17-644](#)

SUBJECT: First Amendment to Professional Services Agreement with SCI Consulting to Assist with the Preparation of the Cannabis Tax Measure

REPORT IN BRIEF

The City Council will consider approving an amendment to a professional services agreement with SCI Consulting to assist with the preparation of the Cannabis Tax Measure in the amount of \$26,750.

RECOMMENDATION

City Council - Adopt a motion:

- A. Approving the First Amendment to Agreement for Professional Services with SCI Consulting in the amount of \$26,750; and,
- B. Approving a supplemental appropriation from General Fund unreserved fund balance in the amount of \$26,750, transferring to Development Service Fund (017) and appropriating the same to account 017-0804-512-17-00 Professional Services.
- C. Authorizing the City Manager or Assistant City Manager to sign the necessary documents.

H.12. [18-005](#)

SUBJECT: Approve Amendment to Professional Services Agreement to Draft Public Facilities Ballot Measure and Approve Related Budget Transfer

REPORT IN BRIEF

Consider approving an Amendment to the Service Agreement to the Public Opinion Survey contract to continue to draft the Public Facilities Ballot Measure language and approving the necessary budget transfers from the Public Facilities Financing Fees - Police of \$70,500.

RECOMMENDATION

City Council - Adopt a motion:

- A. Approving an Amendment to the Service Agreement to the Public

Opinion Survey contract to continue to draft Ballot Measure language, and

B. Approving transfers from Public Facilities Financing Fees - Police in the amount of \$35,250 from Fund 047, and \$35,250 from Fund 057 to Fund 449 Public Safety CIP, and appropriating the same amount to Project #116040 New Police Headquarters.

H.13. [18-004](#)

SUBJECT: Supplemental Appropriation to the Economic Development Opportunity Fund (074) for Consultant Services Relative to the High Speed Rail Heavy Maintenance Facility

REPORT IN BRIEF

Requesting a supplemental appropriation in the amount of \$140,000 from the Economic Development Fund (074) to facilitate consultant services pertaining to the High Speed Rail Heavy Maintenance Facility.

RECOMMENDATION:

City Council - Adopt a Motion:

A. Approving a supplemental appropriation in the amount of \$140,000 from the unreserved fund balance in Fund 074 Economic Development Opportunity Fund; and,

B. Approving the Professional Services Agreement with California Strategies and Advocacy, LLC, in the amount of \$120,000.00; and,

C. Approving the Professional Services Agreement with Chabin Concepts, Inc. in the amount of \$15,000.00; and,

D. Approving a contingency of \$5,000.00 for travel, meetings, technical support, etc.; and,

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

H.14. [18-001](#)

SUBJECT: Notice of Vacancy - Recreation and Parks Commission

REPORT IN BRIEF

Requests direction for filling a vacancy on the Recreation and Parks Commission.

RECOMMENDATION

City Council - Adopt a motion directing staff to notice a vacancy on the Recreation and Parks Commission due to the vacancy created by the resignation of Corrine Chavez and to seek applicants for the position with an application deadline of February 1, 2018.

H.15. [18-007](#)

SUBJECT: Second Reading of Ordinance for the Reauthorization of State Franchise Holder PEG Fee

REPORT IN BRIEF

Second reading of previously introduced ordinance.

RECOMMENDATION

City Council - Adopt a motion adopting **Ordinance 2483**, an Ordinance of the City Council of the City of Merced, California, Amending Section 30.50.010, "Fee for Support of Local Cable Usage," of the Merced Municipal Code.

H.16. [18-006](#)

SUBJECT: Second Reading of Ordinance Amending Chapter 8.28 of the Merced Municipal Code Pertaining to Burglar Alarm Systems and False Alarms

REPORT IN BRIEF

Second reading of previously introduced ordinance.

RECOMMENDATION

City Council - Adopt a motion adopting **Ordinance No. 2484**, an Ordinance of the City Council of the City of Merced, California, adding chapter 8.28, "Burglar Alarm Systems and False Alarms," to the Merced Municipal Code.

I. REPORTS

I.1. [17-598](#)

SUBJECT: Community Input Presentation by Housing Staff

REPORT IN BRIEF

Provide Housing Staff with input regarding the 2018 HUD Annual Action Plan.

I.2. [18-002](#)

SUBJECT: Status Report Regarding the City-Owned Property in the Airport Industrial Park

REPORT IN BRIEF

Oral update concerning the 66-acres owned by the City in the Airport Industrial Park.

RECOMMENDATION

Information-Only

I.3. [17-631](#)

SUBJECT: Adoption of Merit-Based Selection Criteria for Commercial Cannabis Business Permits (Limited Number of Permits Available)

REPORT IN BRIEF

The City Council is being asked to adopt, by resolution, the Merit-Based Selection Criteria for Commercial Cannabis Business Permits for which there are a limited number of permits available. Dispensaries/retail sales are limited to four in the recently adopted Ordinance.

RECOMMENDATION

City Council - Adopt a motion adopting **Resolution 2018-01**, a Resolution of the City Council of the City of Merced, California, approving Merit-Based Selection Criteria for Scoring Commercial Cannabis Business Permit Applications for which there are a limited number of permits available.

I.4. [17-636](#)

SUBJECT: Reallocate Measure V Funding, Reconciling Gas Tax Funding, to Fund 022 Street Maintenance/Lighting for the FY 2017/2018 Budget

REPORT IN BRIEF

Considers reallocating Measure V funding, reconciling Gas Tax funding to Fund 022 Street Maintenance/Lighting Fund for street maintenance and transportation related projects.

RECOMMENDATION

City Council - Adopt a motion approving the reallocation of Measure V Funds, reconciling the Gas Tax Funds, and authorizing the Interim Finance Officer to make the necessary budget adjustments.

J. BUSINESS

J.1. Request to Add Item to Future Agenda

J.2. City Council Comments

K. ADJOURNMENT



CITY OF MERCED

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

ADMINISTRATIVE REPORT

Agenda Item B.1.

Meeting Date: 1/2/2018

SUBJECT: CONFERENCE WITH REAL PROPERTY NEGOTIATORS - Property: 725 West 18th Street, Merced, CA; Agency Negotiator: Frank Quintero, Director, Economic Development; Negotiating Parties: City of Merced and Fluetsch and Busby Insurance; Under Negotiation: Price and Terms of Payment.



CITY OF MERCED

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

ADMINISTRATIVE REPORT

Agenda Item B.2.

Meeting Date: 1/2/2018

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



CITY OF MERCED

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

ADMINISTRATIVE REPORT

Agenda Item B.3.

Meeting Date: 1/2/2018

SUBJECT: CONFERENCE WITH LABOR NEGOTIATORS -- Agency Designated Representative: City Manager Steve Carrigan; Employee Organization: American Federation of State, County, and Municipal Employees (AFSCME) Council 57; Local 2703; International Association of Fire Fighters, Local 1479; Merced Association of City Employees (MACE). AUTHORITY: Government Code Section 54957.6



CITY OF MERCED

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

ADMINISTRATIVE REPORT

Agenda Item B.4.

Meeting Date: 1/2/2018

SUBJECT: CONFERENCE WITH LABOR NEGOTIATORS -- Agency Designated Representative:
City Manager Steve Carrigan; Unrepresented Management AUTHORITY: Government Code Section
54957.6



CITY OF MERCED

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

ADMINISTRATIVE REPORT

Agenda Item H.1.

Meeting Date: 1/2/2018

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

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

ADMINISTRATIVE REPORT

Agenda Item H.2.

Meeting Date: 1/2/2018

Report Prepared by: Kirkland Greene, Records Clerk II

SUBJECT: Information-Only Contracts

REPORT IN BRIEF

Notification of awarded Non-Public Works contracts under \$30,000 and of Public Works contracts under \$67,779.

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 FY 2017-2018 threshold of \$67,779.00, and Chapter 3.04.080 - 3.04.110 of the Merced Municipal Code to execute Non-Public Works contracts under the adjusted FY 2017-2018 threshold of \$30,000.00, the contracts listed on the attached table were entered into by the City.

ATTACHMENTS

1. "Information-Only" Contracts Table for December 2017

Exhibit 1 – Table of Contracts

1/2/2018 City Council Meeting

Department/Division	Vendor	Purpose/Location	Amount
1201 – Recreation and Parks	Merced Building Healthy Communities (BHC) and California Skateparks, Inc.	Memorandum of Understanding (MOU) Regarding All Wheels/Skate Park Facility at McNamara Park. <i>(City to provide long-term maintenance for at least five [5] years.)</i>	(No funds.)
0901 – Fire	Merced Union High School District (MUHSD)	EMS (Emergency Medical Services) Agreement to Provide Special Emergency Medical Services for El Capitan High School's Home Football Games for the 2017 Season.	(No funds.)
1107 – Public Works - Sewers	R & R Construction Co.	Installation of two (2) manholes on 16th Street and “D” Street; removal and replacement of two (2) existing manholes with a larger 48" shaft. Statement of Services (PO #129100).	\$ 9,800.00
0803 – Engineering	Rolfe Construction Co., Inc.	Potholing to locate utility lines and measure depth in the roadway areas of Yosemite Avenue for eight (8) potholes. Statement of Services (PO #128969). Project No. 113055.	\$10,500.00
1104 – Public Works - Streets	R & R Construction Co.	Remove and replace approx. 18 LF of cracked asphalt on West Avenue between 1st and 2nd Streets (NB lane). Statement of Services (PO #129134).	\$11,200.00
0803 – Engineering	Taylor Backhoe Service, Inc.	Potholing to locate utility lines and measure depth in the roadway areas of "N" Street for thirty (30) potholes. Statement of Services (PO #128971). Project No. 117041.	\$17,965.00
1201 – Recreation and Parks	Fernando Aguilera (Formerly, Fernando Acosta.)	Leisure Class Agreement for Independent Contractor Services to Conduct Merced Youth Soccer Programs, from July 1, 2017 through June 30, 2018. <i>(Name change only.)</i>	\$18,113.00
0901 – Fire	Response Training Group	Agreement for Professional Services to Provide Tractor-Drawn Aerial Driver Training (40 hours).	\$19,173.80
1301 – Housing	Towne Planning & Environmental	Agreement for Administering CDBG Year 2017-2018 Environmental Services.	\$25,000.00



CITY OF MERCED

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

ADMINISTRATIVE REPORT

Agenda Item H.3.

Meeting Date: 1/2/2018

Report Prepared by: Stephani Davis, Secretary I, Planning Division

SUBJECT: Information Only - Site Plan Review Committee Minutes of November 16, 2017

RECOMMENDATION

For information only.

ATTACHMENTS

1. SP Minutes 11-16-2017

CITY OF MERCED
Site Plan Review Committee

MINUTES

Planning Conference Room
2nd Floor Civic Center
Thursday, November 16, 2017

Acting Chairperson ESPINOSA called the meeting to order at 1:35 p.m.

ROLL CALL

Committee Members Present: Planning Manager Espinosa (for Director of Development Services McBride), Acting City Engineer Son, and Plan Examiner Brown (for Acting Assistant Chief Building Official Frazier)

Committee Members Absent: None

Staff Present: Planner/Recording Secretary Mendoza-Gonzalez and Engineering Technician Flores

1. **MINUTES**

M/S SON - BROWN, and carried by unanimous voice vote, to approve the Minutes October 26, 2017, as submitted.

3. **COMMUNICATIONS**

None.

4. **ITEMS**

- 4.1 Site Plan Application #415, submitted by Ice House America, applicant for Hamid Yahya, property owner, to install a 136-square-foot ice kiosk within the Choice Food Market parking lot located at 836 T Street, within a Neighborhood Commercial (C-N) Zone.

Planner MENDOZA-GONZALEZ reviewed the application for this item. For further information, refer to Draft Site Plan Review Committee

November 16, 2017

Resolution #415. The applicant, DEBRA PERRY, and her engineering staff were in attendance to answer questions from the Committee.

M/S BROWN - SON, and carried by the following vote, to adopt a Categorical Exemption regarding Environmental Review #17-17, and approve Site Plan Application #415, subject to the Findings and seventeen (17) conditions set forth in the Draft Resolution #415:

AYES: Committee Members Brown, Son, and Acting Chairperson Espinosa

NOES: None

ABSENT: None

5. **INFORMATION ITEMS**

5.1 **Calendar of Meetings/Events**

There was no discussion regarding the calendar of meetings/events.

6. **ADJOURNMENT**

There being no further business, Acting Chairperson ESPINOSA adjourned the meeting at 2:05 p.m.

Respectfully submitted,



Francisco Mendoza-Gonzalez, Secretary
Merced City Site Plan Review Committee

APPROVED:



Kim Espinosa, Acting Chairperson/
Planning Manager
Merced City Site Plan Review Committee

CITY OF MERCED
SITE PLAN REVIEW APPLICATION
RESOLUTION #415

Ice House America	Install a 136-square-foot outdoor ice kiosk.
APPLICANT	PROJECT
2268 Camino Ramon	836 T Street
ADDRESS	PROJECT SITE
San Ramon, CA 94583	032-121-002
CITY/STATE/ZIP	APN
(973) 534-3940	Neighborhood Commercial (C-N) Zone
PHONE	ZONING

In accordance with Chapter 20.68 of the Merced City Zoning Ordinance, the Merced City Site Plan Review Committee considered and administratively approved Site Plan Review Application #415 on November 16, 2017, submitted by Ice House America, applicant for Hamid Yahya, property owner, to install a 136-square-foot ice kiosk within the Choice Food Market parking lot located at 836 T Street, within a Neighborhood Commercial (C-N) Zone. Said property being more particularly described as Lots 7 and 8 from Block 347 as shown on the map entitled “Map of Resubdivision of Part of Adjoining Acreage Property in City of Merced” recorded in Volume 10, Page 26 of Merced County Records; also known as Assessor’s Parcel Number (APN) 032-121-002.

WHEREAS, the proposal is exempt from the California Environmental Quality Act (CEQA), and is in accordance with Section 15301 (a) (Exhibit D); and,

WHEREAS, the Merced City Site Plan Review Committee makes the following Findings:

- A) The proposal complies with the City of Merced General Plan designation of Neighborhood Commercial (CN) and the Zoning classification of Neighborhood Commercial (C-N).
- B) The subject site has conditional use permit approval to operate as a convenience market with alcohol sales for offsite consumption (CUP #1170). The proposed outdoor ice kiosk is considered an ancillary use to the convenience market.
- C) As shown on Exhibit B, the ice kiosk (6’8” x 19’) would be located within the northeast quadrant of the parcel, about 5 feet from the eastern property line.
- D) The proposed location of the ice kiosk would not block any driving aisles, fire lanes, fire hydrants, or building exits.
- E) The applicant is proposing to provide water services, sewer services, and electric utilities to the ice kiosk (Condition #8).

- F) The parking spaces to the west of the ice kiosk would be redesigned to meet the City's Engineering Parking Lot Standards and ADA requirements (Condition #13).
- G) A Public Hearing Notice was circulated in the newspaper and mailed to adjacent residential property owners at least 10 days before the public hearing, in accordance with MMC Section 20.68.050.E and MMC Chapter 20.70. Staff did not receive any public comments for this project, as of the time that this report was prepared (11/8/2017).
- H) No modifications are being proposed for the interior or exterior of the convenience market building. Such modifications could require building permit approval.

NOW, THEREFORE, BE IT RESOLVED that the Merced City Site Plan Review Committee does approve Site Plan Review Application #415, subject to the following conditions:

- 1) The proposed project shall be constructed/designed as shown on Exhibit B (site plan), Exhibit C (conceptual rendering), and as modified by the conditions of approval within this resolution.
- 2) All conditions contained in Site Plan Review #79-1 – Amended (“Standard Conditions for Site Plan Review Application”) shall apply.
- 3) The Project shall comply with all relevant conditions set forth in Planning Commission Resolution #2113 for Conditional Use Permit #779 and Planning Commission Resolution #3004 for Conditional Use Permit #1170 (including Condition #10 regarding installing “No Loitering” signs and Condition #11 regarding alcohol advertisements) previously approved for this site.
- 4) All other applicable codes, ordinances, policies, etc., adopted by the City of Merced shall apply including, but not limited to, accessibility compliance.
- 5) The developer/applicant shall indemnify, protect, defend (with counsel selected by the City), and hold harmless the City, and any agency or instrumentality thereof, and any officers, officials, employees, or agents thereof, from any and all claims, actions, suits, proceedings, or judgments against the City, or any agency or instrumentality thereof, and any officers, officials, employees, or agents thereof to attack, set aside, void, or annul, an approval of the City, or any agency or instrumentality thereof, advisory agency, appeal board, or legislative body, including actions approved by the voters of the City, concerning the project and the approvals granted herein. Furthermore, developer/applicant shall indemnify, protect, defend, and hold harmless the City, or any agency or instrumentality thereof, against any and all claims, actions, suits, proceedings, or judgments against any governmental entity in which developer/applicant's project is subject to that other governmental entity's approval and a condition of such approval is that the City indemnify and defend (with counsel selected by the City) such governmental

- entity. City shall promptly notify the developer/applicant of any claim, action, or proceeding. City shall further cooperate fully in the defense of the action. Should the City fail to either promptly notify or cooperate fully, the developer/applicant shall not thereafter be responsible to indemnify, defend, protect, or hold harmless the City, any agency or instrumentality thereof, or any of its officers, officials, employees, or agents.
- 6) The developer/applicant shall construct and operate the project in strict compliance with the approvals granted herein, City standards, laws, and ordinances, and in compliance with all State and Federal laws, regulations, and standards. In the event of a conflict between City laws and standards and a State or Federal law, regulation, or standard, the stricter or higher standard shall control.
 - 7) The premises shall remain clean and free of debris and graffiti at all times. Any damaged materials to the kiosk shall be replaced by matching materials and paint colors.
 - 8) Any proposed sewer and water utilities for the kiosk shall connect to the existing domestic utility lines on this site.
 - 9) A licensed architect or engineer shall submit a building permit application for the installation of the kiosk and all related improvements on this site. Detailed plans shall be submitted that depict power and water supply connections, as well as drainage line locations and connections.
 - 10) The applicant shall submit an official signage plan and colored elevations for the kiosk during the building permit stage. These plans are subject to approval from the Planning Department. Signage used for the ice kiosk shall count towards the maximum amount of signage allowed for the Choice Food Market.
 - 11) The applicant shall provide outdoor lighting with a minimum 15-foot radius of illumination around the ice kiosk. Lighting may be placed on either the building wall, ice kiosk, or a parking lot light post. Details to be worked out with Planning staff during the building permit stage.
 - 12) All parking spaces located within this parcel shall be re-painted with a fresh coat of paint.
 - 13) The parking lot layout shall comply with all applicable City Engineering Standards and ADA requirements. Any missing parking lot trees shall be provided at a ratio of one tree for every six parking spaces within this parcel (APN 032-121-002). These trees shall be installed per the City's Parking Lot Landscape Standards, shall be a minimum of 15-gallons, and be of a type that provides a 30-foot minimum canopy at maturity (trees shall be selected from the City's approved tree list).

November 16, 2017

- 14) A temporary sign permit shall be obtained prior to installing any temporary banners. Temporary freestanding signs (i.e. A-frame signs, feathered signs, or sandwich boards) are not allowed.
- 15) The proprietor and/or successors in interest and management shall be prohibited from advertising or promoting beer & wine and/or distilled spirits on the ice kiosk.
- 16) Any existing beer and wine advertisements on the Choice Food Market building walls or windows are prohibited per CUP #1170, and shall be removed prior to issuance of a building permit for the ice kiosk.
- 17) The applicant shall comply with all City of Merced business licensing requirements and all requirements of the Merced County Health Department.

If there are any questions concerning these conditions and recommendations, please contact Francisco Mendoza-Gonzalez at (209) 385-6858.

November 16, 2017

DATE



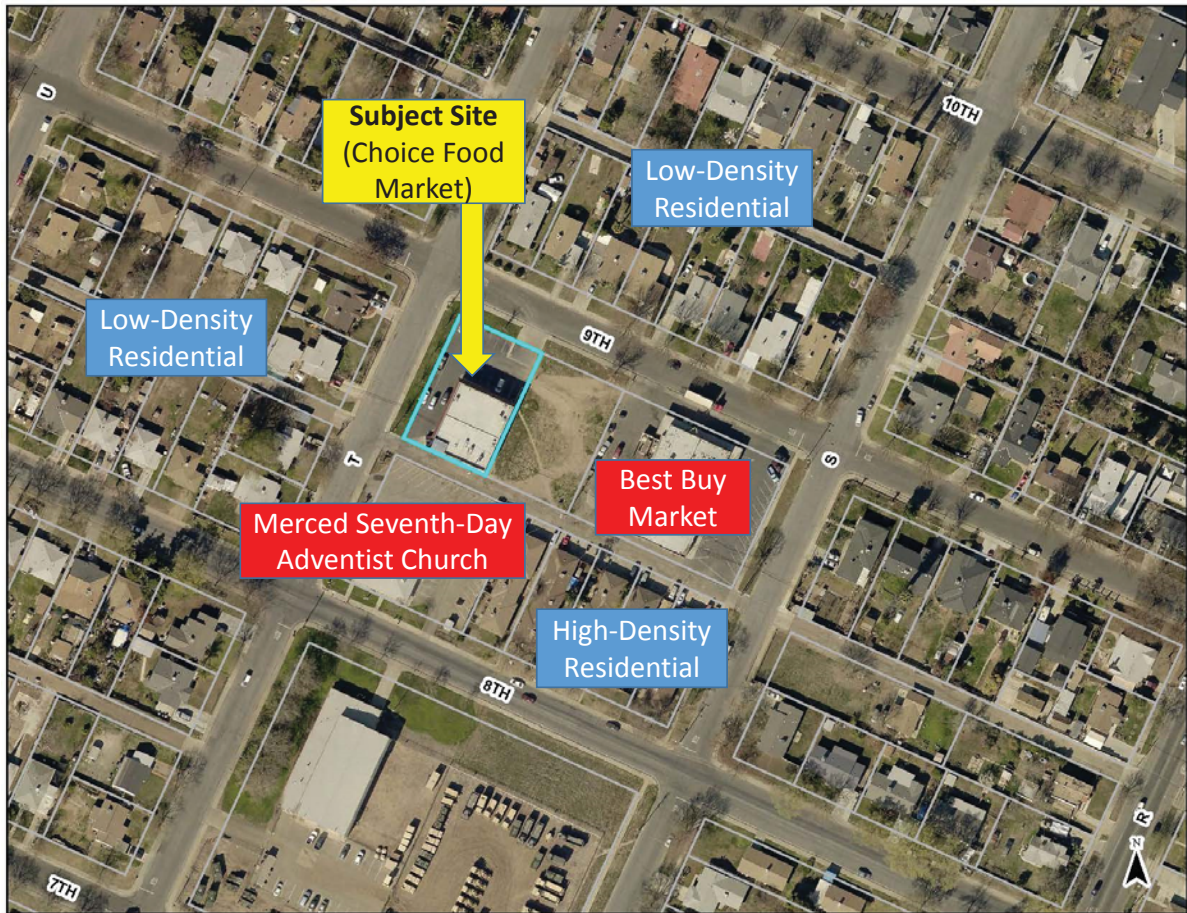
SIGNATURE

Planner

TITLE

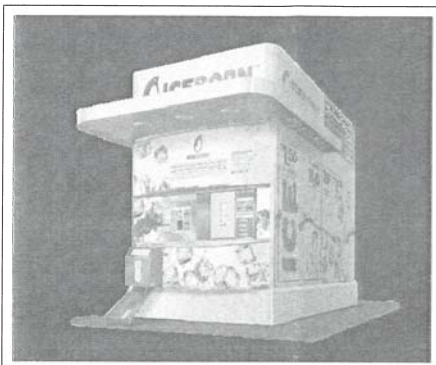
Exhibits:

- A) Location Map
- B) Site Plan
- C) Conceptual Rendering
- D) Categorical Exemption



[illegible]

836 T STREET
MERCED, CA 95341
APN: 032-121-002

[illegible]

SITE COORDINATES:			
LATITUDE		57.21108	
LONGITUDE		-120.80009	
SITEING ITEM#	VALUE	2016 CRC REFERENCE	
SITE CLASS	D		
SOLD BACK CAPACITY	(SOP FR)	APPENDIX (S) 4 TABLE (S)4.3	
SITEING IMPORTANCE FACTOR	10	CRC (S)5.13	
SITE COEFFICIENT, P ₀	-	TABLE (S)5.3 (1)	
5s	0.694	PIRME (S)5.3 (2)	
5m	0.694	SECTION (S)5.3.5 EGN. 18-51	
5m	0.694	TABLE (S)5.3 (3)	
SITE COEFFICIENT, P _v	-	TABLE (S)5.3 (2)	
5i	0.719	TABLE (S)5.3 (2)	
5m	0.304	SECTION (S)5.3.5 EGN. 18-56	
5i	0.394	TABLE (S)5.3 (2)	

LEGEND

	STEEL		NATIVE SOIL
	MASONRY		ENGINEER'S FILL
	AGGREGATE		A.C. PAVING
	DEDICATION		CONCRETE
	TRUNCATED DOWNS		LANDSCAPE

VICINITY MAP

DESIGN SPECIFICATIONS:	
OCCUPANCY TYPE:	F3
CONSTRUCTION TYPE:	VB NON-SPRINKLERED
GOVERNING CODE:	2018 CBC
SEISMIC DESIGN CATEGORY	D
MINIMUM DESIGN WIND SPEED:	13 MPH EXPOSURE B
ALLOWABLE SOIL BEARING PRESSURE:	NA
COMPRESSIVE STRENGTH OF CONC. @ 28 DAYS	NA
LIVE LOADS:	
ROOF:	NA --
FLOOR:	NA
DEAD LOADS:	
ROOF (1" G/IR GELING)	NA
ROOF (8" G/IR GELING)	NA
FLOOR:	NA --

VICINITY MAP

The map shows a grid of streets. N 10th St runs diagonally from the top right towards the center. N 9th St runs diagonally from the center towards the bottom left. N 8th St runs diagonally from the bottom left towards the bottom right. A shaded rectangular area, labeled 'PROJECT SITE' with a leader line, is located between N 9th St and N 8th St, and between two vertical streets.

OWNER DATA:
YANYA HAMID
896 T ST.
MERCED, CA 95341
PHONE:
CONTACT: YANYA

TENANT OWNER:
FIMLICO PROPERTIES, INC.
2268 CAMINO RAMON
SAN RAMON, CA 94583
CONTACT: JUSTIN BOUGHARD OR DEBRA PERRY
PHONE: 925-714-2010 OR 925-554-5940

CITY OF MERCED
615 WEST 18TH STREET
MERCED, CA 95340
CONTACT: DEVELOPMENT DEPARTMENT
PHONE: (209) 586-7000

HERGED COUNTY HEALTH DEPARTMENT
280 E. 15TH STREET
HERGED, GA 30341
CONTACT - HEALTH DEPARTMENT
PHONE - 204-581-1200

ENGINEER OF RECORD:
RICARDO LEAL, P.E.
CENTRAL VALLEY ENGINEERING AND SURVEYING, INC.
2182 HIGH STREET
SELMA, CA 95662
PHONE: 559-891-8611
EMAIL: rleal@cveoe.com

EXISTING USE:	BUSINESS
APN:	082-121-002
SITE ADDRESS:	1616 N. OLIVE ST. T STREET MERCED, CA 95361
ZONE:	"

CONSTRUCTION TYPE:	VB NON-SPRINKLERED - EXISTING
OCCUPANCY:	F-2
FIRE SPRINKLER SYSTEM:	N/A
FIRE ALARM SYSTEM:	N/A

SITE DATA:			
SITE AREA:		10,000 SF	0.24 ACRES
ALLOWABLE BUILDING AREA ANALYSIS:	F-3	2' x 10,000	20,000 SF
	M	8' x 1,000	31,000 SF
			-- SF
NEEDS MACHINE:			106.7 SF
EX. BLDG #1:			4284 SF
TOTAL BLDG. GROUND AREA:			11067.7 SF
ACTUAL GROUND LOT COVERAGE:		0.34	0.33
EXISTING PARKING STALL:			15
EXISTING PARKING STALL TO BE REMOVED:			2
EX. ADA PARKING STALL:			1
NEW PARKING STALL:			0
NEW ADA PARKING STALL NEAR MACHINE:			1
TOTAL PARKING STALL:			15

ARCHITECTURAL	
A1.0	COVER SHEET, SITE AND PROJECT DATA.
A1.1	VICINITY MAP.
A1.2	OVERALL SITE PLAN.
A1.3	PROPOSED SITE PLAN.
A1.4	SITE DETAILS.
A1.5	CITY STANDARDS AND UTILITY DETAILS.
A2.0	KIOSK FLOOR PLAN AND ELEVATIONS.
A2.1	ELECTRICAL, NOTES, SCHEDULES, AND DETAILS.
ICE HOUR SPECIFICATION PLANS:	
IH1	ICE HOUR SPECIFICATIONS - CIVIL.
IH2	ICE HOUR SPECIFICATIONS -
	FLOOR STRUCTURAL PLUMBING.
IH5	ICE HOUR SPECIFICATIONS - ELECTRICAL.

2. INSTALL AN ICE HOUSE ON THE PREMISE ALONG WITH UTILITIES (WATER, SEWER, AND ELECTRIC) FOR THE UNIT.

CENTRAL VALLEY
ENGINEERING & SURVEYING, INC.
2152 HIGH STREET Tel. (504) 841-8
SELMA, CA 95662 Fax (504) 841-8
WWW.CVEAS.COM Email: info@cveas.com

PROJECT
KIOSK ICE MACHINE
ICE HOUSE AMERICA
836 T STREET
MERCED, CA 95341
APN: 032-121-002



PROJECT AND OWNER
DATA, VICINITY MAP, AND
SHEET INDEX

CVEAS JOB #:	10156
DATE:	10-19-2017
PLANNING SUBMITTAL #:	XX-XXXX
PLAN CHECK SUBMITTAL #:	XX-XXXX
DRAWN BY:	XX
CHECKED BY:	FL
SCALE:	AS NOTED

A1.0

NOTICE OF EXEMPTION

To: _____ Office of Planning and Research
P.O. Box 3044
Sacramento, CA 95812-3044

From: (Public Agency)
City of Merced
678 West 18th St.
Merced, CA 95340

 X County Clerk
County of Merced
2222 M Street
Merced, CA 95340

Project Title: SP #415 (Environmental Review #17-17)

Project Applicant: Ice House America for Hamid Yahya (property owner)

Project Location (Specific): 836 T Street **APN:** 032-121-002

Project Location - City: Merced **Project Location - County:** Merced

Description of Nature, Purpose, and Beneficiaries of Project:

Name of Public Agency Approving Project: City of Merced

Name of Person or Agency Carrying Out Project: Ice House America for Hamid Yahya (property owner)

Exempt Status: (check one)

- ☐ Ministerial (Sec. 21080(b)(1); 15268);
☐ Declared Emergency (Sec. 21080(b)(3); 15269(a));
☐ Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
☒ X Categorical Exemption. State Type and Section Number: 15301 (a)
☐ Statutory Exemptions. State Code Number: _____
☐ General Rule (Sec. 15061 (b)(3))

Reasons why Project is Exempt: As defined under the above referenced Section, the proposed project consists of minor interior/exterior alterations, such as installing an outdoor ice kiosk within a developed commercial site, which are considered to be exempt under the CEQA Guidelines per Section 15301 (a).

Lead Agency: City of Merced

Contact Person: Francisco Mendoza-Gonzalez **Area Code/Telephone:** (209) 385-6858

Signature:  **Date:** 10-27-2017 **Title:** Planner

 X Signed by Lead Agency

Date Received for Filing at OPR: _____
(If applicable)

Authority Cited: Sections 21083 and 21110. Public Resources Code
Reference: Sections 21108, 21152, and 21152.1. Public Resources Code



CITY OF MERCED

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

ADMINISTRATIVE REPORT

Agenda Item H.4.

Meeting Date: 1/2/2018

Report Prepared by: Stephani Davis, Secretary I, Planning Division

SUBJECT: Information Only - Planning Commission Minutes of November 8, 2017

RECOMMENDATION

For information only.

ATTACHMENTS

1. PC Minutes 11-08-2017

CITY OF MERCED
Planning Commission

MINUTES

Merced City Council Chambers
Wednesday, November 8, 2017

Chairperson Dylina called the meeting to order at 7:03 p.m., followed by a moment of silence and the Pledge of Allegiance.

ROLL CALL

Commissioners Present: *Sonia Alshami, Mary Camper, Travis Colby, Robert Dylina, Jeremy Martinez, Peter Padilla, and Kevin Smith

*Commissioner Alshami arrived at 7:43 p.m.

Commissioners Absent: None

Staff Present: Director of Development Services McBride, Planning Manager Espinosa, Attorney Flores, Planner Mendoza-Gonzalez, and Recording Secretary Davis

1. APPROVAL OF AGENDA

M/S SMITH-PADILLA, and carried by unanimous voice vote (one absent), to approve the Agenda as submitted.

2. MINUTES

M/S PADILLA-SMITH, and carried by unanimous voice vote (one absent), to approve the Minutes of October 11 and 18, 2017, as submitted.

3. COMMUNICATIONS

None.

4. **ITEMS**

- 4.1 Conditional Use Permit #1219, initiated by Madira Land Convenience Store on behalf of Olivewood Shopping Center, LLC, property owner. This application involves a request to sell beer and wine for off-site consumption at Madira Land Convenience Store, generally located on the south side of Olive Avenue, approximately 400 feet east of Austin Avenue (at 1340 W. Olive Ave., Ste. #102), within Planned Development (P-D) #16 with a Regional/Community Commercial (RC) General Plan designation.

Planner MENDOZA-GONZALEZ reviewed the report. For further information, refer to Staff Report #17-13 Addendum.

Public testimony was opened at 7:08 p.m.

Speaker from the Audience in Favor:

RICK SINGH, Applicant, Atwater

No one spoke in opposition to the project.

Public testimony was completed at 7:09 p.m.

M/S SMITH-PADILLA, and carried by the following vote, to adopt a Categorical Exemption regarding Environmental Review #17-09, and approve Conditional Use Permit #1219, subject to the Findings and twenty (21) Conditions set forth in Staff Report #17-13 Addendum (RESOLUTION #3086):

AYES: Commissioners Camper, Colby, Martinez, Padilla, Smith,
and Chairperson Dylina

NOES: None

ABSENT: Commissioner Alshami

ABSTAIN: None

- 4.2 Conditional Use Permit #1220, initiated by All Pro Bail Bonds, applicant for Paul and Socorro Gonzales, Trustees, property owners. This application involves a request to relocate an existing bail bond company (All Pro Bail Bonds) from 611 W. Main Street to 735 W. 22nd Street, generally located on the north side of W. 22nd Street, approximately 200 feet west of N Street, within an Office Commercial (C-O) Zone.

Planner MENDOZA-GONZALEZ reviewed the report on this item. For further information, refer to Staff Report #17-15 Addendum.

There was no one present wishing to speak regarding the project; therefore, public testimony was opened and closed at 7:12 p.m.

M/S COLBY-SMITH, and carried by the following vote, to adopt a Categorical Exemption regarding Environmental Review #17-11, and approve Conditional Use Permit #1220, subject to the Findings and nine (9) Conditions set forth in Staff Report #17-15 Addendum (RESOLUTION #3085):

AYES: Commissioners Camper, Colby, Martinez, Padilla, Smith, and Chairperson Dylina

NOES: None

ABSENT: Commissioner Alshami

ABSTAIN: None

- 4.3 Zoning Ordinance Amendment #17-01, initiated by the City of Merced. This application involves changes to the Merced Zoning Ordinance (Title 20 of the Merced Municipal Code) which would replace Merced Municipal Code Section 20.44.170 (“Medical Marijuana and Cultivation”) with a new Section 20.44.170 (“Regulation of Commercial Cannabis Activities – Commercial Cannabis Business Permit Required”); amend Section 20.10.020 and Table 20.10-1 (“Commercial Zoning Districts”); amend Section 20.12.020 and Table 20.12-1 (“Industrial Zoning Districts”); and add Land Use Table 20.44-1 to regulate all commercial cannabis activities and cultivation for personal use in the City of Merced. In general, the regulations would allow Commercial Cannabis Businesses, including

cultivation, distribution, manufacturing, deliveries, and dispensaries/retail sales, in certain zones with a Commercial Cannabis Business Permit.

Development Services Director McBRIDE addressed the Commission and explained the reason for the meeting. Mr. McBRIDE then addressed the members of the public and gave an overview of the timeline in place for the Draft Ordinance. He announced that City staff and the consultants are present to answer questions regarding the draft ordinance from the Commission. In closing, Mr. McBRIDE addressed City staff and the consultants of SCI and acknowledged the hard work involved in bringing the Draft Ordinance together.

Planning Manager ESPINOSA reviewed the report on this item. For further information, refer to Staff Report #17-14 Addendum.

Public Testimony was opened at 7:38 p.m.

Speakers from the Audience in Favor:

SUSAN BOUSCAREN, Jack's Greenhouse, Merced
IVAN VAN ORTWICK, TLC, Los Angeles
ARTHUR HODGE, TLC, Los Angeles
MICHAEL WARDA, Turlock
DR. PRAPANNA RANDALL SMITH, Magic Show, LLC., Murphys
MARK YANDOW, Merced

No one spoke in opposition to the project.

Public testimony was completed at 7:54 p.m.

Commissioner PADILLA suggested the Commission discuss including the Light Industrial zones under the allowed locations for dispensaries.

Commissioner SMITH stated that he was for the inclusion of the Light Industrial zones; however, he was against allowing dispensaries in the Neighborhood Commercial (C-N) and Commercial Office (C-O) zones.

M/S PADILLA-MARTINEZ, and carried by the following vote, to recommend to the City Council adoption of a Categorical Exemption regarding Environmental Review #17-10, and approval of Zoning Ordinance Amendment #17-01, modified as follows (RESOLUTION #3087):

- An addition to the Land Use Table 20.44-1 to allow cannabis dispensaries/retail sales in the Light Industrial (I-L) zone.

AYES: Commissioners Alshami, Camper, Martinez, Padilla, and Chairperson Dylina
NOES: Commissioner Smith
ABSENT: None
ABSTAIN: Commissioner Colby

4.4 Cancellation of November 22, 2017, December 20, 2017, and January 3, 2018, Planning Commission Meetings due to the Holidays.

M/S PADILLA-ALSHAMI, and carried by the following vote, to cancel the Planning Commission meetings of November 22, 2017, December 20, 2017, and January 3, 2018.

AYES: Commissioners Alshami, Camper, Colby, Martinez, Padilla, Smith, and Chairperson Dylina
NOES: None
ABSENT: None
ABSTAIN: None

5. **INFORMATION ITEMS**

5.1 Calendar of Meetings/Events

Planning Manager ESPINOSA briefed the Planning Commission on items for the next few Planning Commission meetings.

November 8, 2017

6. **ADJOURNMENT**

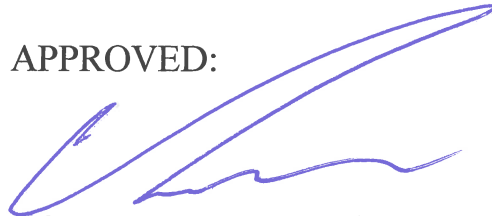
There being no further business, Chairperson DYLINEA adjourned the meeting at 8:05 p.m.

Respectfully submitted,



KIM ESPINOSA, Secretary
Merced City Planning Commission

APPROVED:



ROBERT DYLINEA, Chairperson
Merced City Planning Commission

CITY OF MERCED
Planning Commission

Resolution #3085

WHEREAS, the Merced City Planning Commission at its regular meeting of November 8, 2017, held a public hearing and considered **Conditional Use Permit #1220**, initiated by All Pro Bail Bonds, applicant for Paul and Socorro Gonzales, Trustees, property owners. This application involves a request to relocate an existing bail bond company (All Pro Bail Bonds) from 611 W. Main Street to 735 W. 22nd Street, generally located on the north side of W. 22nd Street, approximately 200 feet west of N Street, within an Office Commercial (C-O) Zone; also known as Assessor's Parcel Number 031-172-012; and,

WHEREAS, the Merced City Planning Commission concurs with Findings A through G of Staff Report #17-15 Addendum; and,

NOW THEREFORE, after reviewing the City's Draft Environmental Determination, and discussing all the issues, the Merced City Planning Commission does resolve to hereby adopt a Categorical Exemption regarding Environmental Review #17-11, and approve Conditional Use Permit #1220, subject to the Conditions set forth in Exhibit A attached hereto and incorporated herein by this reference.

Upon motion by Commissioner Colby, seconded by Commissioner Smith, and carried by the following vote:

AYES: Commissioners Camper, Colby, Martinez, Padilla, Smith, and
Chairperson Dylina
NOES: None
ABSENT: Commissioner Alshami
ABSTAIN: None

PLANNING COMMISSION RESOLUTION # 3085

Page 2

November 8, 2017

Adopted this 8th day of November 2017



Chairperson, Planning Commission of
the City of Merced, California

ATTEST:



Secretary

Attachment:

Exhibit A – Conditions of Approval

n:\shared\planning\PC Resolutions: CUP#1220 All Pro Bail Bonds (735 W. 22nd Street)

Conditions of Approval
Planning Commission Resolution #3085
Conditional Use Permit #1220

1. The proposed project shall be constructed/designed as shown on Exhibit 1 (site plan/floor plan) - Attachment B of Staff Report #17-15 Addendum, except as modified by the conditions.
2. All conditions contained in Resolution #1249-Amended (“Standard Conditional Use Permit Conditions”—except for Condition #16 which has been superseded by Code) shall apply.
3. The proposed project shall comply with all standard Municipal Code and Subdivision Map Act requirements as applied by the City Engineering Department.
4. All other applicable codes, ordinances, policies, etc., adopted by the City of Merced shall apply.
5. The developer/applicant shall indemnify, protect, defend (with counsel selected by the City), and hold harmless the City, and any agency or instrumentality thereof, and any officers, officials, employees, or agents thereof, from any and all claims, actions, suits, proceedings, or judgments against the City, or any agency or instrumentality thereof, and any officers, officials, employees, or agents thereof to attack, set aside, void, or annul, an approval of the City, or any agency or instrumentality thereof, advisory agency, appeal board, or legislative body, including actions approved by the voters of the City, concerning the project and the approvals granted herein. Furthermore, developer/applicant shall indemnify, protect, defend, and hold harmless the City, or any agency or instrumentality thereof, against any and all claims, actions, suits, proceedings, or judgments against any governmental entity in which developer/applicant’s project is subject to that other governmental entity’s approval and a condition of such approval is that the City indemnify and defend (with counsel selected by the City) such governmental entity. City shall promptly notify the developer/applicant of any claim, action, or proceeding. City shall further cooperate fully in the defense of the action. Should the City fail to either promptly notify or cooperate fully, the developer/applicant shall not thereafter be responsible to indemnify, defend, protect, or hold harmless the City, any

agency or instrumentality thereof, or any of its officers, officials, employees, or agents.

6. The developer/applicant shall construct and operate the project in strict compliance with the approvals granted herein, City standards, laws, and ordinances, and in compliance with all State and Federal laws, regulations, and standards. In the event of a conflict between City laws and standards and a State or Federal law, regulation, or standard, the stricter or higher standard shall control.
7. All signing shall comply with the City's Sign Ordinance. Building permits shall be obtained prior to installing any permanent signing. A Temporary Sign Permit shall be obtained prior to installing any temporary signs or banners. Temporary freestanding or A-frame signs are not allowed.
8. All business activities at this location shall be conducted within the building space.
9. All lighting on site shall be shielded or oriented in a way that does not allow "spillover" onto adjacent lots in compliance with the California Energy Code requirements. Any lighting on the building, parking lot lighting, or signage shall be oriented to shine downward and not spillover onto adjacent parcels.

CITY OF MERCED
Planning Commission

Resolution #3086

WHEREAS, the Merced City Planning Commission at its regular meeting of November 8, 2017, held a public hearing and considered **Conditional Use Permit #1219**, initiated by Madira Land Convenience Store on behalf of Olivewood Shopping Center, LLC, property owner. This application involves a request to sell beer and wine for off-site consumption at Madira Land Convenience Store, generally located on the south side of Olive Avenue, approximately 400 feet east of Austin Avenue (at 1340 W. Olive Ave., Ste. #102), within Planned Development (P-D) #16 with a Regional/Community Commercial (RC) General Plan designation; also known as Assessor's Parcel Number 058-230-023; and,

WHEREAS, the Merced City Planning Commission concurs with Findings A through G of Staff Report #17-13 Addendum; and,

NOW THEREFORE, after reviewing the City's Draft Environmental Determination, and discussing all the issues, the Merced City Planning Commission does resolve to hereby adopt a Categorical Exemption regarding Environmental Review #17-09, and approve Conditional Use Permit #1219, subject to the Conditions set forth in Exhibit A attached hereto and incorporated herein by this reference.

Upon motion by Commissioner Smith, seconded by Commissioner Padilla, and carried by the following vote:

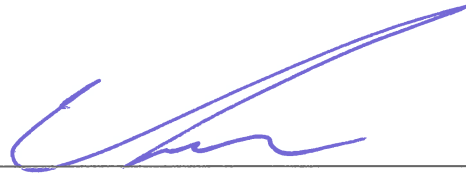
AYES: Commissioners Camper, Colby, Martinez, Padilla, Smith, and Chairperson Dylina
NOES: None
ABSENT: Commissioner Alshami
ABSTAIN: None

PLANNING COMMISSION RESOLUTION # 3086

Page 2

November 8, 2017

Adopted this 8th day of November 2017



Chairperson, Planning Commission of
the City of Merced, California

ATTEST:


Secretary

Attachment:

Exhibit A – Conditions of Approval

n:\shared\planning\PC Resolutions: CUP#1219 Madira Land Convenience Store (1340 W Olive Ave Ste 102)

Conditions of Approval
Planning Commission Resolution # 3086
Conditional Use Permit #1219

1. The proposed project shall be constructed/designed as shown on Exhibit 1 (floor plan) -- Attachment C of Staff Report #17-13 Addendum, except as modified by the conditions.
2. All conditions contained in Resolution #1249-Amended ("Standard Conditional Use Permit Conditions"—except for Condition #16 which has been superseded by Code) shall apply.
3. The developer/applicant shall indemnify, protect, defend (with counsel selected by the City), and hold harmless the City, and any agency or instrumentality thereof, and any officers, officials, employees, or agents thereof, from any and all claims, actions, suits, proceedings, or judgments against the City, or any agency or instrumentality thereof, and any officers, officials, employees, or agents thereof to attack, set aside, void, or annul, an approval of the City, or any agency or instrumentality thereof, advisory agency, appeal board, or legislative body, including actions approved by the voters of the City, concerning the project and the approvals granted herein. Furthermore, developer/applicant shall indemnify, protect, defend, and hold harmless the City, or any agency or instrumentality thereof, against any and all claims, actions, suits, proceedings, or judgments against any governmental entity in which developer/applicant's project is subject to that other governmental entity's approval and a condition of such approval is that the City indemnify and defend (with counsel selected by the City) such governmental entity. City shall promptly notify the developer/applicant of any claim, action, or proceeding. City shall further cooperate fully in the defense of the action. Should the City fail to either promptly notify or cooperate fully, the developer/applicant shall not thereafter be responsible to indemnify, defend, protect, or hold harmless the City, any agency or instrumentality thereof, or any of its officers, officials, employees, or agents.
4. The developer/applicant shall construct and operate the project in strict compliance with the approvals granted herein, City standards, laws, and ordinances, and in compliance with all State and Federal laws, regulations, and standards. In the event of a conflict between City laws

and standards and a State or Federal law, regulation, or standard, the stricter or higher standard shall control.

5. Sufficient lighting shall be provided throughout the site to provide a safe environment for employees and patrons of the business.
6. All landscaping shall be kept healthy and maintained in good condition and any damaged or missing landscaping shall be replaced immediately.
7. The premises shall remain clean and free of debris and graffiti at all times. Any damaged materials shall be replaced by matching materials.
8. A temporary banner permit shall be obtained prior to installing any temporary signs. Free-standing temporary signs (i.e., sandwich boards, A-frame signs, etc.) are prohibited.
9. The proprietor and/or successors in interest and management shall be prohibited from advertising or promoting beer & wine and/or distilled spirits on the building or in the windows. No self-illuminated advertising for beer or wine shall be permitted.
10. No beer shall be displayed or stored outside of the cooler areas.
11. No display or sale of beer or wine shall be made from an ice tub.
12. Employees on duty between the hours of 9 p.m. and 11 p.m. shall be at least 21 years of age to sell alcohol.
13. Alcohol sales shall cease by 12:00 a.m. regardless of the business hours for the store in general.
14. The proprietor and/or successors in interest and management shall comply with all Municipal Codes relating to loitering, open container laws, and other nuisance-related issues.
15. The area within the convenience market dedicated to the display and sale of alcoholic beverages beer shall not be more than 3 cooler spaces (typical of those found in a grocery store or convenience market) or 65 square feet. The area dedicated to the display and sale of wine on free-standing shelves or coolers shall not exceed 40 square feet.
16. The City reserves the right to periodically review the area for potential problems. If problems (on-site or within the immediate area) including, but not limited to, public drunkenness, the illegal sale or use of narcotics, drugs or alcohol, disturbing the peace, and disorderly conduct result from the proposed land use, the conditional use permit may be subject to review and revocation by the City of Merced after a public hearing and

in conformance with the procedures outlined in the Merced Municipal Code.

17. No single-serving containers shall be sold separately unless authorized by the City of Merced Police Department. All single-serving beer and wine cooler containers shall be sold as part of a pack or carton. However, wine containers that are 750 ml or larger may be sold as single-serving containers.
18. The business shall comply with all applicable requirements from the Merced County Health Department.
19. Prior to obtaining a license from the Alcoholic Beverage Control to sell alcohol, the business (for the convenience market) shall obtain approval for a Finding of Public Convenience or Necessity from the Merced City Council.
20. This approval is subject to the business owner being in good standing with all laws of the State of California, including the Alcohol Beverage Control (ABC), City of Merced, and other regulatory agencies.
21. A permanent tamper-proof outdoor trash receptacle shall be installed near the main entrance to the convenience market.

CITY OF MERCED
Planning Commission

Resolution #3087

WHEREAS, the Merced City Planning Commission at its regular meeting of November 8, 2017, held a public hearing and considered **Zoning Ordinance Amendment #17-01**, initiated by the City of Merced. This application involves changes to the Merced Zoning Ordinance (Title 20 of the Merced Municipal Code) which would replace Merced Municipal Code Section 20.44.170 (“Medical Marijuana and Cultivation”) with a new Section 20.44.170 (“Regulation of Commercial Cannabis Activities – Commercial Cannabis Business Permit Required”); amend Section 20.10.020 and Table 20.10-1 (“Commercial Zoning Districts”); amend Section 20.12.020 and Table 20.12-1 (“Industrial Zoning Districts”); and add Land Use Table 20.44-1 to regulate all commercial cannabis activities and cultivation for personal use in the City of Merced. In general, the regulations would allow Commercial Cannabis Businesses, including cultivation, distribution, manufacturing, deliveries, and dispensaries/retail sales, in certain zones with a Commercial Cannabis Business Permit; and,

WHEREAS, the Merced City Planning Commission concurs with Findings A through X of Staff Report #17-14 Addendum; and,

NOW THEREFORE, after reviewing the City’s Draft Environmental Determination, and discussing all the issues, the Merced City Planning Commission does resolve to hereby recommend to City Council adoption of a Categorical Exemption regarding Environmental Review #17-10, and approval of Zoning Ordinance Amendment #17-01, as set forth in Attachment A of Staff Report #17-14 Addendum, modified as follows:

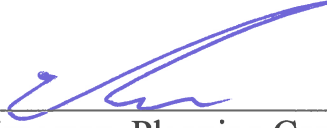
An addition to the Land Use Table 20.44-1 to allow cannabis dispensaries/retail sales in the Light Industrial (I-L) zone.

Upon motion by Commissioner Padilla, seconded by Commissioner Martinez, and carried by the following vote:

AYES: Commissioners Alshami, Camper, Martinez, Padilla, and Chairperson Dylina
NOES: Commissioner Smith
ABSENT: None
ABSTAIN: Commissioner Colby

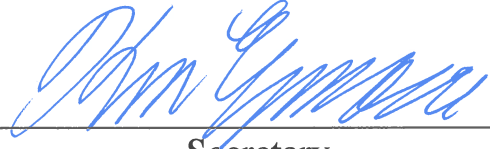
November 8, 2017

Adopted this 8th day of November 2017



Chairperson, Planning Commission
of the City of Merced, California

ATTEST:



Secretary

n:shared:planning:PC Resolutions:ZOA#17-01



CITY OF MERCED

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

ADMINISTRATIVE REPORT

Agenda Item H.5.

Meeting Date: 1/2/2018

Report Prepared by: Stephani Davis, Secretary I, Planning Division

SUBJECT: Information Only - Bicycle Advisory Commission Minutes of October 24, 2017

RECOMMENDATION

For information only.

ATTACHMENTS

1. BAC Minutes of 10-24-2017

CITY OF MERCED
BICYCLE ADVISORY COMMISSION

MINUTES

Council Chambers
678 W 18TH STREET
MERCED, CALIFORNIA

TUESDAY
OCTOBER 24, 2017

Acting Chairperson HOTHEM called the meeting of the Bicycle Advisory Commission to order at 3:01 p.m.

(B) ROLL CALL

Present: Tom Hothem (Acting Chairperson)
Jules Comeyne
Greg Friedman
Steven Lerer
Isai Palma
Ann Thurston

Absent: Justin Hicks (Acting Vice-Chairperson) (Excused)
(Two vacancies, two Ex-Officio)

Staff Present: Joe Cardoso, Land Engineer
Michael Hren, Principal Planner
Kim Nutt, Planning Technician II
Stephani Davis, Development Services Secretary I

Others Present: Lisa Kayser-Grant, Merced Bicycle Coalition

(C) APPROVE MINUTES OF AUGUST 22, 2017

The Commission requested that the phrase “bike bikes” be revised to “bike lanes” on Page 4.

ON MOTION BY COMMISSIONER THURSTON, SECONDED BY COMMISSIONER COMEYNE, DULY CARRIED BY UNANIMOUS VOICE VOTE (ONE ABSENT), TO APPROVE THE AUGUST 22, 2017, MINUTES AS REVISED.

(D) ORAL COMMUNICATIONS

Lisa KAYSER-GRANT brought to the attention of the BAC the Merced County Association of Governments (MCAG) workshops for the Regional Transportation Plan (RTP) with the purpose to have public input for the RTP Update. Ms. KAYSER-GRANT specifically called attention to this plan's role in SB-375, reducing greenhouse gases from mobile sources, Land Use, and Transportation.

Ms. KAYSER-GRANT also mentioned the Active Transportation and Safe Routes to School Plan (ATP/SRTS) Process. She called attention to a work plan that discussed the creation of a working group to follow up on implementation of the plan that would provide annual project lists and progress reports. Acting Chairperson HOTHEM requested that this item be added to the December Agenda.

(E) BICYCLE ADVISORY COMMISSION REQUESTS, INFORMATION ITEMS, AND SUBCOMMITTEE REPORTS

Ms. KAYSER-GRANT spoke regarding the current uses of the Merced Bicycle Coalition's funds: a radio public service announcement and the Mayor's Ride. She requested recommendations for projects to utilize the balance. Mr. HREN discussed the Police Department's willingness to work with a bicycle registration drive. Commissioner PALMA suggested collaborating with schools to have a "Bike to School Day," encouraging kids to ride to school. He suggested having a bike pool or cycling school bus. Ms. KAYSER-GRANT noted a need for volunteers at any such events. Commissioner PALMA noted that Pedal Merced has not taken place in recent years, and posited the revitalization of that event.

Commissioner PALMA noted that the City of Merced was hosting a meeting at McNamara Park at 6:00 p.m. on the development of an all-wheels skate park. The BAC discussed the cost, design, and the meeting.

Acting Chairperson HOTHEM discussed the state of sharrows in Merced, and asked that sharrows be added to a future agenda. He also noted concerns regarding bike paths: erosion, lighting, and infrastructure maintenance. The maintenance of bike paths was requested to be added to a future agenda.

Mr. HREN updated the Commission on the Gateway Merced project.

CAPITAL PROJECT RELATED ITEMS

(F) UPDATE ON MOTEL DRIVE MULTI-USE PATH

Mr. Cardoso clarified the history of the project to the Commission. The project's limits are Merced Avenue to Carol Avenue. It was awarded a Congestion Mitigation and Air Quality (CMAQ) grant for \$500,000 for construction. The specifics of the project are still undetermined at this time. It is scheduled for a design phase in 2018-2019, then to go out for award. The Commission discussed the project with Mr. Cardoso, and noted that it would be useful for the BAC to see the plans when they are available during the design phase.

Acting Chairperson HOTHEM opened public comment 3:47 p.m.

Ms. KAYSER-GRANT questioned the prioritization of this project. She noted that the BAC had discussed this project at length with strong reservations.

Acting Chairperson HOTHEM closed public comment at 3:53 p.m.

POLICY/BIKE PROMOTION/DEVELOPMENT RELATED ITEMS (Planning Department)

(G) BICYCLE REGISTRATION PROCESS

Mr. HREN provided an update, detailing other cities' practices regarding bicycle registration, noting that the cities researched from the League of American Bicyclists' list of Bicycle-Friendly Cities did not have mandatory licensure requirements. He also referenced some statistics that the Police Department provided, indicating that there have not been a significant number of licenses acquired or renewed in the past year. Mr. HREN added that the Police Department indicated interest in continuing to enforce licenses, and are willing to consider a longer-lasting license period than one year.

The Commission discussed the ordinance and the process for moving forward with a recommendation to the City Council on how to update it. The Commission discussed use of a national database for the purposes of recovery of stolen bicycles. The Commission discussed creation of a subcommittee with the purpose of making a report to the BAC on what updates to recommend to the City Council.

ON MOTION BY COMMISSIONER PALMA, SECONDED BY COMMISSIONER FRIEDMAN, DULY CARRIED BY UNANIMOUS VOICE VOTE (ONE ABSENT), TO FORM A SUBCOMMITTEE WHOSE MEMBERS INCLUDE COMMISSIONERS THURSTON, FRIEDMAN, AND LERER, WITH COMMISSIONER PALMA AS AN ALTERNATE, FOR THE PURPOSE OF MAKING RECOMMENDATIONS TO THE BICYCLE ADVISORY COMMITTEE REGARDING UPDATED LANGUAGE FOR MERCED MUNICIPAL CODE CHAPTER 10.44.

(H) BICYCLE FRIENDLY COMMUNITY APPLICATION “BRONZE” GAP ASSESSMENT UPDATE

Mr. HREN thanked the Commissioners for their comments and input on this process, and gave an update on the status of the City’s potential future application. The BAC recommended clarifying the language on the engineering page.

OTHER

(I) ELECTION OF CHAIRPERSON AND VICE-CHAIRPERSON

The Commission discussed potential nominees for the two positions.

ON MOTION BY COMMISSIONER THURSTON, AND SECONDED BY COMMISSIONER FRIEDMAN, DULY CARRIED BY THE FOLLOWING VOTE TO NOMINATE COMMISSIONER HOTHEM AS CHAIRPERSON:

AYES: COMMISSIONERS COMEYNE, FRIEDMAN, LERER, PALMA,
THURSTON AND ACTING CHAIRPERSON HOTHEM
NOES: NONE
ABSENT: COMMISSIONER HICKS
ABSTAIN: NONE

ON MOTION BY COMMISSIONER FRIEDMAN, AND SECONDED BY COMMISSIONER PALMA, DULY CARRIED BY THE FOLLOWING VOTE TO NOMINATE COMMISSIONER LERER AS VICE-CHAIRPERSON.

AYES: COMMISSIONERS COMEYNE, FRIEDMAN, LERER, PALMA,
THURSTON AND ACTING CHAIRPERSON HOTHEM
NOES: NONE
ABSENT: COMMISSIONER HICKS
ABSTAIN: NONE

(J) RESCHEDULING OF DECEMBER MEETING OF THE BICYCLE ADVISORY COMMISSION DUE TO CONFLICT WITH THE HOLIDAYS

The Commission discussed potential rescheduled meeting dates due to conflict with holidays and other scheduling issues. Commissioner Thurston mentioned she would be unable to attend a rescheduled meeting on the proposed date.

A motion made by Commissioner PALMA to move the next meeting to December 12, 2017 at 2:30 p.m. failed due to lack of a second.

ON MOTION BY COMMISSIONER FRIEDMAN, AND SECONDED BY COMMISSIONER COMEYNE, DULY CARRIED BY A 5-1-1 VOICE VOTE (ONE ABSENT, COMMISSIONER THURSTON DISSENTING), TO RESCHEDULE THE NEXT MEETING OF THIS BICYCLE ADVISORY COMMISSION TO DECEMBER 12, 2017 AT 3:00 P.M.

(K) ADJOURN TO THE RESCHEDULED MEETING OF TUESDAY, DECEMBER 12, 2017, AT 3:00 P.M. IN THE COUNCIL CHAMBERS

ON MOTION BY COMMISSIONER LERER, AND SECONDED BY COMMISSIONER COMEYNE, DULY CARRIED BY UNANIMOUS VOICE VOTE (ONE ABSENT), ACTING CHAIRPERSON HOTHEM ADJOURNED THE MEETING AT 4:41 P.M. TO THE RESCHEDULED BICYCLE ADVISORY COMMISSION MEETING ON TUESDAY, DECEMBER 12, 2017, AT 3:00 P.M. IN THE CITY COUNCIL CHAMBERS, 678 W. 18TH STREET, MERCED, CALIFORNIA.

BY:



MICHAEL HREN, AICP
PRINCIPAL PLANNER/
COMMISSION SECRETARY

APPROVED:



TOM HOTHEM, CHAIRPERSON
BICYCLE ADVISORY COMMISSION



ADMINISTRATIVE REPORT

Agenda Item H.6.

Meeting Date: 1/2/2018

SUBJECT: City Council/Public Financing and Economic Development/Parking Authority Meeting Minutes of November 20, 2017 and December 4, 2017

REPORT IN BRIEF

Official adoption of previously held meeting minutes.

RECOMMENDATION

City Council/Public Financing and Economic Development/Parking Authority - Adopt a motion approving the meeting minutes of November 20, 2017 and December 4, 2017.

ALTERNATIVES

1. Approve as recommended; or,
2. Approve, subject to amendments.

ATTACHMENTS

1. Minutes of November 20, 2017
2. Minutes of December 4, 2017



CITY OF MERCED

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

Minutes

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

Monday, November 20, 2017

6:00 PM

A. CLOSED SESSION ROLL CALL

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

Absent: 0

B. CLOSED SESSION

Mayor MURPHY called the Closed Session to order at 5:01 PM.

B.1.

SUBJECT: CONFERENCE WITH LABOR NEGOTIATORS -- Agency Designated Representative: City Manager Steve Carrigan; Employee Organization: American Federation of State, County, and Municipal Employees (AFSCME) Council 57; Local 2703; International Association of Fire Fighters, Local 1479; Merced Association of City Employees (MACE). AUTHORITY: Government Code Section 54957.6

B.2.

SUBJECT: CONFERENCE WITH LABOR NEGOTIATORS -- Agency Designated Representative: City Manager Steve Carrigan; Unrepresented Management AUTHORITY: Government Code Section 54957.6

Clerk's Note: Council adjourned from Closed Session at 5:47 PM.

C. CALL TO ORDER

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

C.1. Invocation - Reverend Mike Hull, Christian Life Center

The invocation was delivered by Reverend Mike HULL from Christian Life Center.

C.2. Pledge of Allegiance to the Flag

Mayor MURPHY led the Pledge of Allegiance.

D. ROLL CALL

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

Absent: 0

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

E. REPORT OUT OF CLOSED SESSION

There was no report.

Mayor MURPHY stated that item L.1. Authorization to Issue Refunding Bonds for Community District No. 2005-1 (Bellevue Ranch West) of the City of Merced (Improvement Area No. 1) would be heard prior to the Public Hearing section of the agenda. He also stated that any Consent items pulled for separate consideration would be heard directly before the Business section of the agenda.

Interim City Attorney Jolie HOUSTON stated that an urgency item to adopt a resolution to designate the Fire Chief signing authority on a State grant application would need to be added to the agenda due to it becoming known after posting of the agenda.

A motion was made by Council Member Belluomini, seconded by Mayor Pro Tempore Blake, to amend the agenda adding an urgency item authorizing the Fire Chief to sign grant paperwork to be submitted to the State of California. The motion carried by the following vote:

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

No: 0

Absent: 0

F. CEREMONIAL MATTERS

F.1. SUBJECT: Proclamation - Small Business Saturday

REPORT IN BRIEF

Accepted by Robert Matsuo - President of the Main Street Association

Mayor MURPHY presented Robert MATSUO the Small Business Proclamation.

G. SPECIAL PRESENTATIONS

G.1. SUBJECT: Sister City Presentation

REPORT IN BRIEF

Theresa Cesar, Hearts Afire Foundation, will give a presentation on Merced's Sister City, Somoto, Nicaragua.

RECOMMENDATION

For Information Only

Theresa CESAR, Hearts Afire Foundation, gave a slide show presentation on Merced's Sister City, Somoto, Nicaragua.

H. WRITTEN PETITIONS AND COMMUNICATIONS

The Clerk's Office received letters from Tinetti Realty, Will SKAARUP, and Mark YANDOW for items listed on the agenda and placed them on the dais.

I. ORAL COMMUNICATIONS

Chris GIESY, Atwater - spoke on the bus stop and bus shelter at Walmart.

Rachelle ABRIL, Merced - spoke on the MOJO program.

Yadira HERNANDEZ, Merced Youth Council Member - spoke on the Youth Council Park Cleanup and the condition of the park.

J. CONSENT CALENDAR

Items J.5. City Council/Public Financing and Economic Development/Parking Authority Meeting Minutes of October 4, 2017, October 10, 2017, and October 16, 2017, J.9. Land Use Determination #17-01 - Finding of Public Convenience or Necessity to Allow Beer and Wine Sales for Off-Site Consumption for Madira Land Convenience Store Located at 1340 W. Olive Avenue, Suite #102, and J.14. Award a Construction Contract to FBD Vanguard Construction, Inc., in the Amount of \$114,628.88 for the Community Development Block Grants South Merced ADA Ramps, Project No. 117007, were pulled for separate consideration.

Approval of the Consent Agenda

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

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

No: 0

Absent: 0

J.1. **SUBJECT:** Reading by Title of All Ordinances and Resolutions

REPORT IN BRIEF

Ordinances and Resolutions which appear on the public agenda shall be determined to have been read by title and a summary title may be read with further reading waived.

RECOMMENDATION

City Council - Adopt a motion waiving the reading of Ordinances and Resolutions, pursuant to Section 412 of the Merced City Charter.

This Consent Item was approved.

J.2. **SUBJECT:** Information Only-Bicycle Advisory Commission Minutes of August 22, 2017

RECOMMENDATION

For information only.

This Consent Item was approved.

J.3. **SUBJECT:** Information Only-Site Plan Review Committee Minutes of August 24, 2017

RECOMMENDATION

For information only

This Consent Item was approved.

J.4. **SUBJECT:** Information Only-Site Plan Review Committee Minutes of October 19, 2017

[RECOMMENDATION]

For information only.

This Consent Item was approved.

J.6.

SUBJECT: Annual Christmas Parade 2017

REPORT IN BRIEF

Street Closure to hold the Annual Christmas Parade on December 2, 2017.

RECOMMENDATION

City Council - Adopt a motion approving the street closures of East Main Street, from "G" Street to Cedar Avenue and West Main Street, from "G" to "O" Streets, including side streets from Cedar Avenue to "O" Street, as requested by the Active 20-30 Club of Merced 53 for the 2017 Christmas Parade and Craft Fair on Saturday, December 2, 2017. Street closures will be from 8:00 a.m. to 6:30 p.m.; subject to the conditions outlined in the administrative report.

This Consent Item was approved.

J.7.

SUBJECT: Federal Aviation Administration (FAA) ASOS, BUEC, RTR Rack Space Lease

REPORT IN BRIEF

Approve a 20-year lease from October 1, 2016, through September 30, 2036, at the Merced Regional Airport between the City of Merced and Federal Aviation Administration (FAA).

RECOMMENDATION

City Council - Adopt a motion approving the lease agreement with Federal Aviation Administration (FAA) and authorizing the City Manager or Assistant City Manager to execute the necessary documents.

This Consent Item was approved.

J.8.

SUBJECT: Renewal of Lease Agreement with Symple Equazion for McNamara Park Community Center Building

REPORT IN BRIEF

Requesting approval for renewal of contract with Symple Equazion for afterschool programming at McNamara Park Community Center.

RECOMMENDATION

City Council - Adopt a motion approving the contract renewal with Symple Equazion for afterschool programming at McNamara Park Community Center.

This Consent Item was approved.

J.10.

SUBJECT: Supplemental Appropriation from the Unappropriated Reserves of the Fahrens Park Maintenance District (\$15,685) and Bellevue Ranch East Community Facilities District (\$10,485) for Cinderblock Wall Replacement in the Fahrens Park and Bellevue Ranch East Special Assessment Districts

REPORT IN BRIEF

Considers approving supplemental budget appropriations to cover replacement of sections of the perimeter cinderblock walls in the Fahrens Park and Bellevue Ranch East Special Assessment Districts.

RECOMMENDATION

City Council - Adopt a motion approving supplemental appropriations of funds from the Unappropriated Reserves of the Fahrens Park Maintenance District (Fund 122) in the amount of \$15,685 and Bellevue Ranch East Community Facilities District, (Fund 164) in amount of \$10,485, to cover costs to replace sections of the perimeter cinderblock sound wall.

This Consent Item was approved.

J.11.

SUBJECT: Agreement for Landscape Vegetation Replacement and Irrigation Repair with Odyssey Landscaping Company, Inc., for the Quail Creek, Silverado, Davenport Ranch, Compass Point and Provance Special Districts and Supplemental Budget Appropriations

REPORT IN BRIEF

Consider awarding an agreement to Odyssey Landscaping Company, Inc., for Phase 1 of the landscape vegetation replacement and irrigation repair project in drought impacted Special Assessment Districts, and approving supplemental budget appropriations to cover the work.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving an Agreement for Professional Services with Odyssey Landscaping Company, Inc., in the amount of \$155,745, for Landscape Vegetation Replacement and Irrigation Repair at Various Special Districts; and,

B. Authorizing the City Manager and Assistant City Manager to approve future contract amendments not to exceed 10% of the contract value; and,

C. Approving a supplemental appropriation of funds from the unappropriated reserves in the amount of \$155,745 in the following Special Assessment Districts: from Quail Creek (\$8,200), Silverado (\$6,520), Davenport Ranch (\$29,235), Compass Pointe (\$76,254), and Provance (\$35,536) and approving future supplemental budget appropriations to cover the cost of the amendments; and,

D. Authorizing the City Manager and Assistant City Manager to execute the necessary documents.

This Consent Item was approved.

J.12.

SUBJECT: Award Contract to Rincon Consultants, Inc. for Environmental Compliance Services for the Well Site #3 Tank Removal, Project No. 117047

REPORT IN BRIEF

Consider awarding a contract in the amount of \$41,740 to Rincon Consultants, Inc. to prepare an Environmental Impact Report for the proposed removal of the Well 3 water storage tank at 511 West 12th Street.

RECOMMENDATION

City Council - Adopt a motion:

A. Awarding a contract for the proposed Well 3 water tank removal environmental impact report to Rincon Consultants, Inc., in the amount of \$41,740; and,

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

the necessary documents.

This Consent Item was approved.

J.13.

SUBJECT: Set Public Hearing on December 18, 2017, for
Assembly Bill 1600 Annual Report

REPORT IN BRIEF

Considers setting a public hearing for the annual review of the estimated cost of identified public improvements, the continued need for those improvements, and a reasonable relationship between such need and impacts for which the development fees are charged.

RECOMMENDATION

City Council - Adopt a motion adopting **Resolution 2017-56**, a Resolution of the City Council of the City of Merced, California, establishing a date when the final annual report of development fees will be available for public review, and setting a public hearing thereon for December 18, 2017.

This Consent Item was approved.

L. REPORTS

Clerk's Note: This item was moved up in the agenda.

L.1.

SUBJECT: Authorization to Issue Refunding Bonds for Community
Facilities District No. 2005-1 (Bellevue Ranch West) of the City of
Merced (Improvement Area No. 1)

REPORT IN BRIEF

Consider Refunding Bonds for Bellevue Ranch West.

RECOMMENDATION

City Council - Acting as the Legislative Body of Community Facilities District No. 2005-1 (Bellevue Ranch West) of the City of Merced, adopt a motion:

A. Adopting **Resolution 2017-58**, A Resolution of the City Council of the City of Merced, California, acting as the legislative body of Community Facilities District No. 2005-1 (Bellevue Ranch West) of the City of Merced authorizing the Issuance of Community Facilities District No. 2005-1 (Bellevue Ranch West) of the City of Merced, 2017 Special Tax Refunding Bonds (Improvement Area No. 1) in the aggregate principal amount not to

exceed \$6,500,000, authorizing the sale of such bonds upon certain terms and conditions, approving an Official Statement, approving the execution and delivery of a Fiscal Agent Agreement, an Escrow Agreement, a Bond Purchase Agreement and a Continuing Disclosure Agreement, and authorizing the execution of necessary documents and certificates and related actions: and,

B. Authorizing the City Manager or Assistant City Manager or Interim City Attorney or Interim Finance Officer to execute necessary documents, certificates and related actions: and,

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

Interim Finance Officer Venus RODRIGUEZ gave a presentation on bonds for Community Facilities District No 2005-1 (Bellevue Ranch West).

Council Member BELLUOMINI asked about the fees that the City will have to pay regarding the bonds.

Ms. RODRIGUEZ stated that the fees are an estimate and the actual fees would be determined once the bonds have been issued.

Tom JOHNSON, Fieldman, Rolapp and Associates - clarified the fees that the City will have to pay.

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

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

No: 0

Absent: 0

K. PUBLIC HEARINGS

K.1.

SUBJECT: Introduction of Ordinance to Amend the Zoning Ordinance to Adopt Regulations for Commercial Cannabis Businesses and Cultivation of Cannabis for Personal Use in the City of Merced

REPORT IN BRIEF

The City Council will hold a public hearing and consider the introduction of an ordinance amending the Zoning Ordinance to adopt regulations for

Commercial Cannabis Businesses and cultivation of cannabis for personal use in the City of Merced.

RECOMMENDATION

City Council - Adopt a motion:

Adopting a Categorical Exemption and Introducing **Ordinance No. 2480** that would allow commercial cannabis businesses, including dispensaries/retail sales, deliveries, cultivation, manufacturing, distribution, and testing, in various zones of the City and would also adopt regulations regarding the cultivation of cannabis for personal use in residential zones:

“An Ordinance of the City Council of the City of Merced, California, Replacing 20.44.170 (“Medical Marijuana and Cultivation”); Amending Section 20.10.020 and Table 20.10-1 (“Commercial Zoning Districts”), and Amending Section 20.12.020 and Table 20.12-1 (“Industrial Zoning Districts”) of the Merced Municipal Code; and Adding Land Use Table 20.44-1 to Regulate All Commercial Cannabis Activities and Cultivation for Personal Use in the City of Merced.”

The Planning Commission recommended that Land Use Table 20.44-1 be modified to allow cannabis dispensaries/retail sales in the Light Industrial (I-) zone. This is not reflected in the Draft Ordinance at Attachment 15, so if the City Council agrees, that will need to be addressed in the motion.

Planning Manager Kim ESPINOSA and Principal Planner Michael HREN gave a slide show presentation on the amendment of the zoning ordinance to adopt regulations for commercial cannabis for personal use.

Council and staff discussed distance from schools for dispensaries, Commercial Neighborhood Zones, volatile manufacturing, product and sign displays, security requirements, and appeals process for dispensaries.

Mayor MURPHY discussed taking the ordinance to the people along with a ballot measure.

Mayor MURPHY opened the Public Hearing at 8:12 PM.

Zach DRIVON, Stockton - spoke on the cannabis ordinance.

Susan BOUSCAREN, Merced - encouraged Council to consider local

businesses having first priority if they meet the criteria.

Rex PETERSEN, Delhi - spoke on the high permit fees.

Luke BRUNER, San Francisco - spoke on the issue of setbacks and local control.

Will SKAARUP, Eureka - spoke on a tax measure.

Stephen COTTO, Merced - spoke on the job opportunities that cannabis would bring to the City.

Mark YANDOW, Merced - encouraged adding Neighborhood Commercial to the ordinance.

Ron ROBERTS, Oakdale - spoke on the tax measure and the cannabis industry.

Mike WARDA, Turlock - spoke on expanding cannabis business in the light industrial zone.

Jared DELELLO, Los Angeles - spoke on the misconception of the term "volatile" and cannabis products.

Ben HARRIS, Merced - spoke on expanding the zoning to Neighborhood Commercial.

Glen MORRIS, Merced - spoke on cannabis revenue in Colorado.

Dwight LARKS, Merced - spoke on allowing dispensaries downtown.

Mayor MURPHY closed the Public Hearing at 8:45 PM.

Council Member SERRATTO requested to add the Watson Advisement terminology.

Council unanimously agreed to add the Watson Advisement terminology to the ordinance.

Mayor MURPHY asked about possible issues with volatile manufacturing in the light industrial zones.

Development Services Director Scott MCBRIDE stated that volatile manufacturing would be considered an appropriate use in the light

industrial zones.

Council unanimously agreed to add volatile manufacturing to the light industrial zones.

Mayor MURPHY asked about dispensaries in the light industrial zones.

Ms. ESPIINOSA stated that the Planning Commission recommended allowing dispensaries in the light industrial zones.

Council Member BELLUOMINI stated his opposition to allow retail in the light industrial zones.

Council Member MARTINEZ stated that if dispensaries were in the light industrial zones, distance from schools would not be an issue.

Ms. ESPINOSA stated that there are very few schools in the light industrial zones.

Council agreed to allow dispensaries in the light industrial zones, with the exception of Council Member BELLUOMINI.

Council Member BELLUOMINI stated his opposition to allowing recreational and adult-use dispensaries in the light industrial zones and suggested expanding the zoning to commerical neighborhood and commerical office zones.

Council Member MCLEOD asked about supporting data that shows dispensaries increase crime.

Ms. ESPINOSA stated that staff has not done any studies to analyze crime related to dispensaries.

Council agreed to expand adult-use areas to neighborhood commercial zones and commercial office zones.

Council discussed the distance of dispensaries from schools.

A majority of Council was in favor of the 600-foot distance from schools, with the exception of Mayor MURPHY, Council Member BELLUOMINI and Council Member SERRATTO.

Council Member MCLEOD asked what areas other than schools have distance guidelines.

Ms. ESPINOSA confirmed the State's definition of protected areas and distance guidelines associated with those areas.

SCI Consultant Neil HALL further discussed the distance guidelines.

Mr. CARRIGAN encouraged Council to reconsider the distance for dispensaries from schools to be 1,000 feet and to keep it consistent with the distance for tobacco sales.

Mayor MURPHY posed the question on distance from schools a second time.

A majority of Council was in favor of the 1,000-foot distance from schools, with the exception of Mayor Pro Tempore BLAKE, Council Member MCLEOD, and Council Member MARTINEZ.

Council discussed taking the ordinance and a tax measure to the voters.

Ms. ESPINOSA explained the potential timeline the ordinance would go into effect, placing the tax measure on the ballot, and actual implementation of issuing permits to applicants.

Ms. HOUSTON stated that a discussion of a tax measure should be addressed as a future agenda item.

A majority of Council was not in favor of a ballot measure to enact the ordinance, with the exception of Mayor MURPHY, Mayor Pro Tempore BLAKE, and Council Member BELLUOMINI.

Council continued to discuss a ballot measure to enact the ordinance.

Mr. HALL discussed the sale and use tax and also gave examples of what other cities have done.

Council Member PEDROZO stated he did not want to delay the ordinance until the next election.

A motion was made by Council Member Pedrozo, seconded by Council Member Martinez, to approve the first reading of the ordinance with Council directed amendments. The motion carried by the following vote:

Aye: 5 - Council Member Martinez, Mayor Pro Tempore McLeod, Council Member Pedrozo, Council Member Serratto, and Council Member Blake

No: 2 - Council Member Belluomini, and Mayor Murphy

Absent: 0

Clerk's Note: Council took a recess at 9:47 PM and reconvened at 10:00 PM. Council resumed discussion on the items pulled from the Consent Calendar at this time.

Clerk's Note: Council Member PEDROZO left the meeting at 9:47 PM.

J.5.

SUBJECT: City Council/Public Financing and Economic Development/Parking Authority Meeting Minutes of October 4, 2017, October 10, 2017, and October 16, 2017

REPORT IN BRIEF

Official adoption of previously held meeting minutes.

RECOMMENDATION

City Council/Public Financing and Economic Development/Parking Authority - Adopt a motion approving the meeting minutes of October 4, 2017, October 10, 2017, and October 16, 2017.

Council Member BELLUOMINI pulled this item to suggest a language change to the October 16th minutes.

A motion was made by Council Member Belluomini, seconded by Mayor Pro Tempore Blake, to approve this item with the amendments to the October 16th Meeting Minutes. The motion carried by the following vote:

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

No: 0

Absent: 1 - Council Member Pedrozo

J.9.

SUBJECT: Land Use Determination #17-01 - Finding of Public Convenience or Necessity to Allow Beer and Wine Sales for Off-Site Consumption for Madira Land Convenience Store Located at 1340 W. Olive Avenue, Suite #102

REPORT IN BRIEF

This report provides options for the City Council to consider in making a Finding of Public Convenience or Necessity (PCN), as required by the Department of Alcoholic Beverage Control (ABC) to allow the sale of beer and wine for off-site consumption for Madira Land Convenience Store,

located at 1340 W. Olive Avenue, Suite #102.

RECOMMENDATION

City Council - Adopt a motion approving the Finding of Public Convenience or Necessity to allow the issuance of a Type 20 Alcohol License (allows the sale of beer and wine for off-site consumption) for Madira Land Convenience Store located at 1340 W. Olive Avenue, Suite #102.

Council Member BELLUOMINI pulled this item to ask about an approved site plan for another grocery store that was also approved for liquor sales. He stated his concern of the overconcentration of liquor sales in the area and his opposition to this item.

Planning Manager Kim ESPINOSA clarified that the site plan review of another grocery store did not include the sale of alcohol.

Director of Economic Development Frank QUINTERO explained that the application for the grocery store was pulled and no longer under consideration.

Council Member SERRATTO stated his support for this item.

Mayor MURPHY asked about the square foot limitations.

Ms. ESPINOSA stated that under 20,000 square feet, businesses require an approval.

Ravinder Pal SINGH, Madira Land Convenience Store Owner - discussed his business operations.

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

Aye: 5 - Council Member Martinez, Mayor Pro Tempore McLeod, Council Member Serratto, Mayor Murphy, and Council Member Blake

No: 1 - Council Member Belluomini

Absent: 1 - Council Member Pedrozo

J.14.

SUBJECT: Award a Construction Contract to FBD Vanguard Construction, Inc., in the Amount of \$114,628.88 for the Community Development Block Grants South Merced ADA Ramps, Project No. 117007

REPORT IN BRIEF

Consider awarding a construction contract in the amount of \$114,628.88 for the Community Development Block Grants (CDBG) South Merced ADA Ramps Project in Merced.

RECOMMENDATION

City Council - Adopt a motion:

A. Awarding the base bid for the CDBG South Merced ADA Ramps Project 117007 to FBD Vanguard Construction, Inc., in the amount of \$114,628.88;

B. Authorizing the City Manager or Assistant City Manager to execute the necessary documents and to approve change orders not to exceed 10% of the total contract;

C. Authorizing the Interim Finance Officer to make necessary budget adjustments to fund this project.

Council Member BELLUOMINI pulled this item to state his concern about local preference.

Interim City Attorney Jolie HOUSTON stated that she would draft a memo regarding local preference. She further explained the Charter Policy of awarding contracts.

Council Member BELLUOMINI asked about the bid breakdown from the low bidder.

Deputy Director of Public Works Steven SON explained that the fees listed in the breakdown were listed at the discretion of the bidder.

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

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

No: 0

Absent: 1 - Council Member Pedrozo

Clerk's Note: Council discussed the urgency item to adopt a resolution to designate the Fire Chief signing authority on State grant paperwork. The

title of Resolution 2017-62 reads as follows:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MERCED,
CALIFORNIA, AUTHORIZING THE FIRE CHIEF TO EXECUTE THE
CALIFORNIA GOVERNOR'S OFFICE OF EMERGENCY SERVICES
FISCAL YEAR 2017-2018 GRANT ASSURANCES AGREEMENT

**A motion was made by Council Member Belluomini, seconded by Mayor Pro
Tempore Blake, to adopt the resolution. The motion carried by the following
vote:**

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

No: 0

Absent: 1 - Council Member Pedrozo

M. BUSINESS

M.1. Request to Add Item to Future Agenda

Council Member BELLUOMINI requested to add a local preference
agenda item to the December 18th agenda.

Mayor MURPHY requested to add the nomination of a Mayor Pro Tempore
for the December 18th meeting.

M.2. City Council Comments

Mayor Pro Tempore BLAKE reported on attending the funeral of Dr.
Napoleon WASHINGTON.

Council Member MARTINEZ reported on attending the Veteran's Day
Parade and the Band Review.

Council Member BELLUOMINI reported on attending the funeral for Dr.
Napoleon WASHINGTON, the Veteran's Day Memorial Bridge Ceremony,
singing at the Veteran's Day Parade, and the closing ceremony at the Field
of Honor at Merced College.

Mayor MURPHY reported on attending a meeting with the Director of
Housing from Sacramento, the Measure V Committee Meeting, reading to
students at St. Paul Lutheran School, Dr. Napoleon WASHINGTON's
funeral, the Veteran's Bridge Ceremony, the El Capitan Basketball
Fundraiser, being interviewed by the 8th grade Weaver School journalism
class, the ceremony for the City of Honor in Fresno, the Merced County
Association of Governments Meetings, meeting with the Leadership

Merced Program Members, and Omer Brawley's funeral.

N. ADJOURNMENT

Clerk's Note: The Regular Meeting adjourned at 10:33 PM.

A motion was made by Mayor Murphy, seconded by Mayor Pro Tempore Blake, to adjourn the Regular Meeting in honor of Omer Brawley. The motion carried by the following vote:

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

No: 0

Absent: 1 - Council Member Pedrozo



CITY OF MERCED

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

Minutes

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

Monday, December 4, 2017

6:00 PM

A. CLOSED SESSION ROLL CALL

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

Absent: 0

B. CLOSED SESSION

Mayor MURPHY called the Closed Session to order at 5:01 PM.

B.1.

SUBJECT: CONFERENCE WITH LABOR NEGOTIATORS -- Agency Designated Representative: City Manager Steve Carrigan; Employee Organization: American Federation of State, County, and Municipal Employees (AFSCME) Council 57; Local 2703; International Association of Fire Fighters, Local 1479; Merced Association of City Employees (MACE). AUTHORITY: Government Code Section 54957.6

B.2.

SUBJECT: CONFERENCE WITH LABOR NEGOTIATORS -- Agency Designated Representative: City Manager Steve Carrigan; Unrepresented Management AUTHORITY: Government Code Section 54957.6

Clerk's Note: Council adjourned from Closed Session at 5:58 PM.

C. CALL TO ORDER

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

C.1. Invocation - Mary Hofmann, Congregation of Etz Chaim

The invocation was delivered by Mary HOFMANN from the Congregation of Etz Chaim.

C.2. Pledge of Allegiance to the Flag

Council Member SERRATTO led the Pledge of Allegiance.

D. ROLL CALL

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

Absent: 0

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

E. REPORT OUT OF CLOSED SESSION

There was no report out of Closed Session.

Mayor MURPHY stated that Closed Session would continue after the Regular Meeting.

F. CEREMONIAL MATTERS

F.1.**SUBJECT: Proclamation - Homeless Memorial Day**

REPORT IN BRIEF

Accepted by Joseph Homer - Homeless Program Care Coordinator, Golden Valley Health Centers.

Mayor MURPHY presented the Homeless Memorial Day Proclamation to Joseph HOMER, Homeless Program Care Coordinator from Golden Valley Health Center.

G. SPECIAL PRESENTATIONS

G.1. VIPER Program - Presented by District Attorney Larry Morse

Merced County District Attorney Larry MORSE gave a slide show presentation on the VIPER Program.

H. WRITTEN PETITIONS AND COMMUNICATIONS

There were none.

I. ORAL COMMUNICATIONS

Frank PERRY, Merced - spoke about his damaged truck.

Susan FLINSPACH, Merced - spoke on the Friends of the Merced County Library 50th Anniversary.

J. CONSENT CALENDAR

Agenda Item J.10. Second reading of Ordinance to Amend the Zoning Ordinance to Adopt Regulations for Commercial Cannabis Businesses and Cultivation of Cannabis for Personal Use in the City of Merced, was pulled for separate consideration.

Approval of the Consent Agenda

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

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

No: 0

Absent: 0

J.1.

SUBJECT: Reading by Title of All Ordinances and Resolutions

REPORT IN BRIEF

Ordinances and Resolutions which appear on the public agenda shall be determined to have been read by title and a summary title may be read with further reading waived.

RECOMMENDATION

City Council - Adopt a motion waiving the reading of Ordinances and Resolutions, pursuant to Section 412 of the Merced City Charter.

This Consent Item was approved.

J.2.

SUBJECT: Information-Only Contracts

REPORT IN BRIEF

Notification of awarded Non-Public Works contracts under \$30,000 and of Public Works contracts under \$67,779.

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 FY 2017-2018 threshold of \$67,779.00, and Chapter 3.04.080 - 3.04.110 of the Merced Municipal Code to execute Non-Public Works contracts under the adjusted FY

2017-2018 threshold of \$30,000.00, the contracts listed on the attached table were entered into by the City.

This Consent Item was approved.

J.3.

SUBJECT: Information Only-Planning Commission Minutes of October 11 and 18, 2017

RECOMMENDATION

For information only.

This Consent Item was approved.

J.4.

SUBJECT: Information Only-Site Plan Review Committee Minutes of October 26, 2017

RECOMMENDATION

For information only.

This Consent Item was approved.

J.5.

SUBJECT: City Council/Public Financing and Economic Development/Parking Authority Meeting Minutes of November 6, 2017

REPORT IN BRIEF

Official adoption of previously held meeting minutes.

RECOMMENDATION

City Council/Public Financing and Economic

Development/Parking Authority - Adopt a motion approving the meeting minutes of November 6, 2017.

This Consent Item was approved.

J.6.

SUBJECT: Set a Public Hearing for December 18, 2017 to Consider Amending the 2015 Urban Water Management Plan

REPORT IN BRIEF

Request to set a public hearing on December 18, 2017, to consider Amending the 2015 Urban Water Management Plan (UWMP) as required by the Department of Water Resources (DWR).

RECOMMENDATION

City Council - Adopt a motion setting a Public Hearing on December 18, 2017, to consider the Amended 2015 Urban Water Management Plan (UWMP).

This Consent Item was approved.

J.7.

SUBJECT: Allocation of Fiscal Year 2017/18 Community Development Block Grant (CDBG) and HOME Investment Partnership Program (HOME) to Fund Various Agreements to Provide Allowable Activities and First Technical Amendment to the 2017 Department of Housing and Urban Development Annual Action Plan

REPORT IN BRIEF

Approves various Community Development Block Grant and HOME Investment Partnership Program Sub-Grantee agreements to perform activities throughout the community.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving agreements identified in the 2017 Department of Housing and Urban Development (HUD) Annual Plan with Community Development Block Grant (CDBG) funds from the 2017/18 Fiscal Year (Accounts 018-1301-552-17.00 / Professional Services, 018-1301-552-29.00 / Supplies and Services, 033-1349-552-29.00 / Supplies and Services, 066-1354-552-29.00 / Supplies and Services, 034-1346-552-29.00 / Supplies and Services, 041-1343-552-29.00 / Supplies and Services, and 042-1344-552-29.00 / Supplies and Services) per previous City Council recommendation for:

1. Interdepartmental agreement with the Engineering Division for the N Street ADA and Sidewalk Improvement Project in the amount of \$147,600; and,
2. Interdepartmental agreement with the Engineering Division for the Buena Vista and G Street ADA Ramp Improvement Project in the amounts of \$284,633; and,
3. Interdepartmental agreement with the Engineering Division for the 25th & 26th Streets ADA Ramp Improvement Project in the amount of \$184,389; and,

4. An agreement with United Way for Continuum of Care Services in the amount of \$38,000; and,
5. An agreement with Sierra Saving Grace for the Homeless Project in the amount of \$200,000; and,
6. An agreement with Habitat for Humanity - Stanislaus County for the Housing Rehabilitation Program in the amount of \$492,006 (\$150,000 from CDBG, \$40,000 from NSP3 funds, \$150,000 from HUD - HOME Funds, and \$152,006 from HCD - HOME funds).

B. Authorizing the City Manager or Assistant City Manager to execute, and if necessary, make minor modifications to the agreements described above as attached to this report and all associated documents.

C. Approving a technical amendment to the 2017 HUD Annual Action Plan in the amount of \$20,000, appropriating from one sub-recipient to two infrastructure projects to assist with anticipated increases in construction costs; and,

D. Approving a technical amendment to the 2017 HUD Annual Action Plan in the amount of \$15,572 due to a reduction in receipted program income for the Neighborhood Stabilization Program 3. The total amount available for fiscal year 2017/18 within Fund 066 is \$46,229, not the originally budgeted \$61,801; and,

E. Authorizing the Interim Finance Officer to make necessary budget adjustments.

This Consent Item was approved.

J.8.

SUBJECT: Introduction of an Ordinance Amending Merced Municipal Code Section 10.28.230 to Create No Parking Zones on Portions of Cypress Way and Park Avenue

REPORT IN BRIEF

Introduces an Ordinance as recommended by the City's Traffic Committee which creates no parking zones on portions of Cypress Way and Park Avenue.

RECOMMENDATION

City Council - Adopt a motion introducing Ordinance No. 2481, 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.

This Consent Item was approved.

J.9.

SUBJECT: Supplemental Budget Request to Conduct a Recruitment
to Fill the City Attorney Vacancy

REPORT IN BRIEF

Consider approving a Supplemental Budget appropriation from the
General Fund, unreserved fund balance to cover the expenses to retain
a firm to conduct the City Attorney Recruitment.

RECOMMENDATION

City Council - Adopt a motion:

- A. Approving a supplemental appropriation in the amount of
\$26,400.00 from the General Fund, unreserved fund balance to account
001-0301-512-17-00 (City Attorney Professional Services) to hire
consultants to conduct recruitment for City Attorney position; and,
- B. Authorizing the Interim Finance Officer to make the necessary
budget adjustments.

This Consent Item was approved.

J.10.

SUBJECT: Second Reading of Ordinance to Amend the Zoning
Ordinance to Adopt Regulations for Commercial Cannabis
Businesses and Cultivation of Cannabis for Personal Use in the
City of Merced

REPORT IN BRIEF

Second reading of previously introduced ordinance.

RECOMMENDATION

City Council - Adopt a motion adopting **Ordinance No. 2480** An

Ordinance of the City Council of the City of Merced, California,
Replacing 20.44.170 ("Medical Marijuana and Cultivation"); Amending
Section 20.10.020 and Table 20.10-1 ("Commercial Zoning Districts"),
and Amending Section 20.12.020 and Table 20.12-1 ("Industrial Zoning
Districts") of the Merced Municipal Code; and Adding Land Use Table
20.44-1 to Regulate All Commercial Cannabis Activities and Cultivation

for Personal Use in the City of Merced.

Council Member BELLUOMINI pulled this item to state that he will be voting no.

Malana SUMMERS, Merced - spoke on the benefits of medicinal marijuana.

Charles LAMBERT, Modesto - asked if there are residency restrictions.

Planning Manager Kim ESPINOSA stated that there are no residency restrictions.

Rosie RUPPEL, Ripon - gave Council recommendations.

Susan BOUSCAREN, Merced - thanked Council for their hard work.

Christina ACOSTA, Merced - spoke on the benefits of medicinal marijuana.

Council Member PEDROZO stated his support for the Ordinance.

Council Member MARTINEZ stated his support for the Ordinance.

Council Member BELLUOMINI clarified his stance on medicinal marijuana and recreational marijuana.

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

Aye: 5 - Council Member Martinez, Mayor Pro Tempore McLeod, Council Member Pedrozo, Council Member Serratto, and Council Member Blake

No: 2 - Council Member Belluomini, and Mayor Murphy

Absent: 0

K. PUBLIC HEARINGS

K.1. SUBJECT: Public Hearing - Holding Election for Annexation No. 11 into Community Facilities District (CFD) No. 2003-2 (Services)

REPORT IN BRIEF

Hold a public hearing and election for annexation into Community Facilities District No. 2003-2 (Services) for the Compass Pointe Apartments located at the southeast corner of Pacific Drive and Compass Pointe Avenue.

RECOMMENDATION

City Council - Complete the following items in order:

A. Hold a Public Hearing on the annexation of certain property into the CFD and the levy of special taxes; and,

B. Adopt **Resolution 2017-59**, a Resolution of the City Council of the City of Merced, acting as the Legislative Body of the Community Facilities District No. 2003-2 (Services) of the City of Merced determining the validity of prior proceedings, calling a special election related to Annexation No. 11; and,

C. Hold Election; and,

D. Adopt **Resolution 2017-60**, a Resolution of the City Council of the City of Merced acting as the Legislative Body of the Community Facilities District No. 2003-2 (Services) of the City of Merced canvassing the results of the election held within Annexation No. 11 of said District; and,

E. Adopt **Resolution 2017-61**, a Resolution of the City Council of the City of Merced acting as the Legislative Body of the Community Facilities District No. 2003-2 (Services) of the City of Merced annexing Annexation No. 11 to said district and authorizing the levy of a special tax within said Annexation No. 11.

Development Services Director Scott MCBRIDE requested Council continue the Public Hearing to the December 18th meeting.

Mayor MURPHY opened the Public Hearing at 7:09 PM and continued the Public Hearing to the December 18th Council Meeting.

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

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

No: 0

Absent: 0

L. REPORTS

L.1. SUBJECT: City Council Discussion and Policy Direction Regarding

Use of the McNamara Park Youth Center

REPORT IN BRIEF

Staff is Seeking Policy Direction Regarding the Use of the McNamara Park Youth Center.

RECOMMENDATION

Provide staff with policy direction regarding the McNamara Youth Center.

Assistant to the City Manager Mike CONWAY and City Manager Steve CARRIGAN gave a brief presentation on the programs at the McNamara Park Youth Center.

Council discussed the current programs at McNamara Park Youth Center and how the City can augment with other programs.

Kelly TURNER, Symple Equazion, Merced - spoke on needing tutors to help the kids and other needs to support the program.

Council and Ms. TURNER discussed the days of operation of the Symple Equazion program and also talked about insurance.

Rachelle ABRIL, MOJO, Merced - clarified the days of operation for both programs.

Ms. TURNER, Merced - spoke about the services the programs provide.

Darrel DAVIS, Merced - spoke in support of the Symple Equazion and MOJO programs.

Mr. CARRIGAN, Mr. CONWAY, and Ms. TURNER discussed insurance.

Assistant City Clerk John TRESIDDER suggested a solution to maintaining current insurances.

Esperanza CLARK, Merced - spoke in support of the program providers.

Mayor Pro Tempore BLAKE encouraged the providers to contact Council Members.

Council stated support for the programs provided at the McNamara Park Youth Center.

Mr. CARRIGAN agreed to meet with Ms. TURNER and Ms. ABRIL to

develop a plan to support both programs.

L.2.

SUBJECT: City of Merced Debt Policy and Continuing Disclosure
Policy Update

REPORT IN BRIEF

Consider adopting revised Debt Policy and Continuing Disclosure Policy in compliance with Senate Bill 1029.

RECOMMENDATION

City Council - Adopt a motion adopting **Resolution 2017-64**, a resolution of the City Council of Merced, California, adopting Debt Policy and Continuing Disclosure Policy.

Interim Finance Officer Venus RODRIGUEZ gave a brief report on the Debt Policy and Continuing Disclosure Policy.

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

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

No: 0

Absent: 0

L.3.

SUBJECT: Discussion and Direction on a Potential Ballot Measure for
the Taxation of Cannabis Sales and Commercial Activity

REPORT IN BRIEF

This item considers a ballot measure for the taxation of cannabis sales in the City of Merced.

RECOMMENDATION

Provide staff direction on placing a ballot measure on the June 5, 2018 ballot regarding the taxation of cannabis sales and commercial activity in the City of Merced.

Director of Development Services Scott MCBRIDE gave a slide show presentation on the potential ballot measure for the taxation of cannabis sales and commercial activity.

Mayor MURPHY asked for clarification on the percentage needed to pass and whether it would be on the June or November ballot.

Mr. MCBRIDE stated that the percentage depends on whether it is a general tax or a special tax, and that June would be a preferred election date.

Interim City Attorney Jeff KAUFMAN explained the general tax and the voting threshold for a special election and a general election.

City Manager Steve CARRIGAN spoke about the challenge of having multiple items on a November election.

Council Member BELLUOMINI spoke on educating the public for the tax measures and ballot measure.

Council Members discussed which election to place the ballot measure on.

Assistant City Clerk John TRESIDDER gave a timeline for placing the ballot measure on the June election.

Council Members BELLUOMINI, PEDROZO, BLAKE, and SERRATTO recommended placing the ballot measure on the November ballot.

Isai PALMA, Merced - spoke about specifying where the taxes are going.

M. BUSINESS

M.1. Request to Add Item to Future Agenda

Council Member BELLUOMINI requested to add an item discussing a letter of support for tax cuts for the January 16th meeting and a report on the results of the public survey of the police station for the first meeting in January. He also requested to add a discussion of the Merced "Sun-Star" building for the January 16th meeting and the Industrial Real Estate Marketer for the 60 acres for the January 16th meeting.

M.2. City Council Comments

Council Member BELLUOMINI reported on attending the Christmas Parade, the Recreation and Parks Commission meeting, the NAACP meeting, and the Townsend Public Affairs meeting. He spoke about the Merced Breakfast Lions Club considering awarding money to the City for a project at the sports center. He also encouraged everyone to attend the Merced College Choir Event.

Council Member PEDROZO reported on attending the Christmas Parade

and the Townsend Public Affairs meeting.

Council Member MARTINEZ reported on attending the Christmas Parade.

Mayor MURPHY reported on attending the Christmas Parade, the Lao Family Thanksgiving lunch, and handing out turkeys at the Fairgrounds. He discussed the opening of a new restaurant in town. He encouraged everyone to attend the Hmong New Year Celebration. He also reported on attending the Harvard Kennedy School Event.

Clerk's Note: Council adjourned to Closed Session at 8:39 PM.

Clerk's Note: Council adjourned from Closed Session at 10:01 PM.

N. ADJOURNMENT

Clerk's Note: The Regular Meeting was adjourned at 10:03 PM

A motion was made by Council Member Blake, seconded by Council Member Belluomini, to adjourn the Regular Meeting. The motion carried by the following vote:

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

No: 0

Absent: 0



ADMINISTRATIVE REPORT

Agenda Item H.7.

Meeting Date: 1/2/2018

Report Prepared by: Dan Arnold, Public Works Manager - Operations

SUBJECT: Supplemental Appropriation from the Refuse Unappropriated, Unreserved Fund Balance and Award a Contract to Alliance Refuse Trucks, Inc., for the Refurbishment of Two Refuse Trucks

REPORT IN BRIEF

Considers approving a supplemental appropriation from the refuse unappropriated, unreserved fund balance and awarding a contract to Alliance Refuse Trucks to refurbish one front-loading and one side-loading garbage truck.

RECOMMENDATION

City Council - Adopt a motion:

- A. Appropriating from Fund 558-Refuse Unappropriated, Unreserved Fund Balance in the amount of \$336,330 for the refurbishment of two refuse trucks, and;
- B. Awarding a contract to Alliance Refuse Trucks, Inc., in the amount of \$295,900 to refurbish one front loading and one side loading garbage truck; and,
- C. Authorizing the City Manager or Assistant City Manager to execute the necessary documents and the Interim Finance Officer to make the necessary budget adjustments.

ALTERNATIVES

1. Approve, as recommended by staff; or,
2. Approve, subject to conditions 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

Title 3, Article III of the Merced Municipal Code, purchases over twenty five thousand dollars.

CITY COUNCIL PRIORITIES

As provided for in the FY 2017/18 Council Priorities under Operational Sustainability.

DISCUSSION

On May 15, 2017, the City Council authorized the funding for a refurbishing pilot program to allow for two garbage trucks to be refurbished. Due to time constraints, the bid process was not able to be completed by the end of the 2016/17 fiscal year. The Public Works Solid Waste Division is again requesting permission to allocate available unappropriated fund balance to establish the pilot program and complete the necessary work on one automated side-loader and one front-loading garbage truck, nearing the recommended replacement age.

A Request for Proposal was prepared and opened to the public on November 9, 2017 with a closing date of November 28, 2017. Only one company submitted a proposal, Alliance Refuse Trucks of Gilbert, Arizona. The cost to refurbish the front-loading garbage truck was \$149,950 and the cost to refurbish one side-loading automated garbage truck is \$145,950; totaling \$295,900. The addition of potential applicable state sales tax increases the cost to approximately \$320,312.

Based upon the most recent purchases of new garbage trucks, the approximate cost of one new front-loading truck is \$254,400 and one new automated side-loading garbage truck is \$286,900. The combined total to replace the two proposed refurbished vehicles would be \$541,300. The savings realized for refurbishing the vehicles instead of replacing would be over \$220,000.

An appropriation of \$336,330 is requested from the Refuse Unappropriated, Unreserved Fund balance to cover the proposed cost to refurbish the two trucks, plus a 5% contingency to cover possible unforeseen expenses. If successful, staff will likely budget for additional refurbishments in future fiscal years.

IMPACT ON CITY RESOURCES

An appropriation in Fund 558-Refuse Unappropriated, Unreserved Fund Balance for \$336,330 is necessary. Sufficient unreserved fund balance exists to cover the cost.

ATTACHMENTS

1. Professional Services Agreement

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT is made and entered into this ____ day of _____, 2018, by and between the City of Merced, a California Charter Municipal Corporation, whose address of record is 678 West 18th Street, Merced, California 95340, (hereinafter referred to as "City") and Alliance Refuse Trucks, Inc., an Arizona Corporation, whose address of record is 1985 W. Termaine Avenue, Gilbert, Arizona 95233 (hereinafter referred to as "Consultant").

WHEREAS, City is undertaking a project to refurbish City refuse trucks; and,

WHEREAS, Consultant represents that it possesses the professional skills to provide refurbishment services in connection with said project.

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

1. **SCOPE OF SERVICES.** The Consultant shall furnish the following services: Consultant shall provide the refurbishment services described in Exhibit "A" attached hereto.

No additional services shall be performed by Consultant unless approved in advance in writing by the City, stating the dollar value of the services, the method of payment, and any adjustment in contract time. All such services are to be coordinated with City and the results of the work shall be monitored by the Director of Public Works or his designee. However, the means by which the work is accomplished shall be the sole responsibility of the Consultant.

2. **TIME OF PERFORMANCE.** All of the work outlined in the Scope of Services shall be completed and the refuse trucks shall be returned to the City on or before March 30, 2018. By mutual agreement and written addendum to this Agreement, the City and the Consultant may change the requirements in said Schedule.

3. **RESERVED.**

4. **COMPENSATION.** Payment by the City to the Consultant for actual services rendered under this Agreement shall be made upon presentation of an invoice detailing services performed under the Scope of Services, in accordance

with the fee schedule set forth in Exhibit "B" attached hereto and incorporated herein by reference. The Consultant agrees to provide all services required under the Scope of Services in Exhibit "A" within the compensation amount set forth in Exhibit "B". For Consultant's services rendered under this Agreement, City shall pay Consultant the not to exceed sum of Two Hundred Ninety-Five Thousand Nine Hundred Dollars (\$295,900.00).

5. **METHOD OF PAYMENT.** Compensation to Consultant shall be paid by the City after submission by Consultant of an invoice delineating the services performed.

6. **RECORDS.** It is understood and agreed that all plans, studies, specifications, data magnetically or otherwise recorded on computer or computer diskettes, records, files, reports, etc., in possession of the Consultant relating to the matters covered by this Agreement shall be the property of the City, and Consultant hereby agrees to deliver the same to the City upon termination of the Agreement. It is understood and agreed that the documents and other materials including but not limited to those set forth hereinabove, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily suitable for any future or other use.

7. **CONSULTANT'S BOOKS AND RECORDS.** Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement. Any records or documents required to be maintained shall be made available for inspection, audit and/or copying at any time during regular business hours, upon oral or written request of the City.

8. **INDEPENDENT CONTRACTOR.** It is expressly understood that Consultant is an independent contractor and that its employees shall not be employees of or have any contractual relationship with the City. Consultant shall be responsible for the payment of all taxes, workers' compensation insurance and unemployment insurance. Should Consultant desire any insurance protection, the Consultant is to acquire same at its expense.

In the event Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System

(PERS) to be eligible for enrollment in PERS as an employee of the City, Consultant shall indemnify, protect, defend, and hold harmless the City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

9. INDEMNITY. Consultant shall indemnify, protect, defend (with legal counsel selected by the City), save and hold City, its officers, employees, and agents, harmless from any and all claims or causes of action for death or injury to persons, or damage to property resulting from intentional or negligent acts, errors, or omissions of Consultant or Consultant's officers, employees, volunteers, and agents during performance of this Agreement, or from any violation of any federal, state, or municipal law or ordinance, to the extent caused, in whole or in part, by the willful misconduct, negligent acts, or omissions of Consultant or its employees, subcontractors, or agents, or by the quality or character of Consultant's work, or resulting from the negligence of the City, its officers, employees, volunteers and agents, except for loss caused by the sole negligence or willful misconduct of the City or its officers, employees, volunteers or agents. It is understood that the duty of Consultant to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall survive the termination of this Agreement and shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.

10. INSURANCE. During the term of this Agreement, Consultant shall maintain in full force and effect at its own cost and expense, the following insurance coverage:

a. Workers' Compensation Insurance. Full workers' compensation insurance shall be provided with a limit of at least One Hundred Thousand Dollars (\$100,000) for any one person and as required by law, including Employer's Liability limits of \$1,000,000.00 per accident. The policy shall be endorsed to waive the insurer's subrogation rights against the City.

b. General Liability.

- (i) Consultant shall obtain and keep in full force and effect general liability coverage at least as broad as ISO commercial general liability coverage occurrence Form CG 0001.
- (ii) Consultant shall maintain limits of no less than One Million Dollars (\$1,000,000) per occurrence for bodily injury, personal injury and property damage.
- (iii) The City, its officers, employees, volunteers and agents are to be named as additional insureds under the policy, as respects liability arising out of work or operations performed by or on behalf of the Consultant.
- (iv) The policy shall stipulate that this insurance will operate as primary insurance for work performed by Consultant and its sub-contractors, and that any other insurance or self insurance maintained by City or other named insureds shall be excess and non-contributory.
- (v) Consultant shall maintain its commercial general liability coverage for three (3) years after completion of the work and shall add an additional insured endorsement form acceptable to the City naming the City of Merced, its officers, employees, agents and volunteers for each year thereafter for at least three (3) years after completion of the work. Copies of the annual renewal and additional insured endorsement form shall be sent to the City within thirty (30) days of the annual renewal.

c. Automobile Insurance.

- (i) Consultant shall obtain and keep in full force and effect an automobile policy of at least One Million Dollars (\$1,000,000) per accident for bodily injury and property damage.
- (ii) The City, its officers, employees, volunteers and agents are to be named as additional insureds under the policy, as respects automobiles owned, leased, hired or borrowed by the Consultant.

- (iii) The policy shall stipulate that this insurance will operate as primary insurance for work performed by Consultant and its sub-contractors, and that any other insurance or self insurance maintained by City or other named insureds shall be excess and non-contributory.

d. Professional Liability Insurance. Consultant shall carry professional liability insurance appropriate to Consultant's profession in the minimum amount of One Million Dollars (\$1,000,000). Architects and engineers' coverage is to be endorsed to include contractual liability.

e. Qualifications of Insurer. The insurance shall be provided by an acceptable insurance provider, as determined by City, which satisfies all of the following minimum requirements:

- (i) An insurance carrier admitted to do business in California and maintaining an agent for service of process within this State; and,
- (ii) An insurance carrier with a current A.M. Best Rating of A:VII or better (except for workers' compensation provided through the California State Compensation Fund).

f. Certificate of Insurance. Consultant shall complete and file with the City prior to engaging in any operation or activity set forth in this Agreement, certificates of insurance evidencing coverage as set forth above and which shall provide that no cancellation or expiration by the insurance company will be made during the term of this Agreement, without thirty (30) days written notice to City prior to the effective date of such cancellation—including cancellation for nonpayment of premium.

g. Notwithstanding any language in this Agreement to the contrary, Consultant shall be entitled to be paid pursuant to the terms of this Agreement until Consultant has obtained the insurance required by this Section 10 and provided documentation of said insurance to the City. In addition to any other remedies City may have, City reserves the right to withhold payment if Consultant's insurance policies are not current.

11. ASSIGNABILITY OF AGREEMENT. It is understood and agreed that this Agreement contemplates personal performance by the Consultant and is

based upon a determination of its unique personal competence and experience and upon its specialized personal knowledge. Assignments of any or all rights, duties or obligations of the Consultant under this Agreement will be permitted only with the express written consent of the City.

12. **TERMINATION FOR CONVENIENCE OF CITY.** The City may terminate this Agreement any time by mailing a notice in writing to Consultant that the Agreement is terminated. Said Agreement shall then be deemed terminated, and no further work shall be performed by Consultant. If the Agreement is so terminated, the Consultant shall be paid for that percentage of the phase of work actually completed, based on a pro rata portion of the compensation for said phase satisfactorily completed at the time the notice of termination is received.

13. **CONFORMANCE TO APPLICABLE LAWS.** Consultant shall comply with its standard of care regarding all applicable Federal, State, and municipal laws, rules and ordinances. No discrimination shall be made by Consultant in the employment of persons to work under this contract because of race, color, national origin, ancestry, disability, sex or religion of such person.

Consultant hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act (8 U.S.C.A. 1101 *et seq.*), as amended; and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Consultant so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement, and should any agency or instrumentality of the federal or state government, including the courts, impose sanctions against the City for such use of unauthorized aliens, Consultant hereby agrees to, and shall, reimburse City for the cost of all such sanctions imposed, together with any and all costs, including attorneys' fees, incurred by the City in connection therewith.

14. **WAIVER.** In the event that either City or Consultant shall at any time or times waive any breach of this Agreement by the other, such waiver shall not constitute a waiver of any other or succeeding breach of this Agreement, whether of the same or any other covenant, condition or obligation. Waiver shall not be deemed effective until and unless signed by the waiving party.

15. **INCONSISTENT OR CONFLICTING TERMS IN AGREEMENT AND EXHIBITS.** In the event of any contradiction or inconsistency between any attached document(s) or exhibit(s) incorporated by reference herein and the provisions of the Agreement itself, the terms of the Agreement shall control.

Any exhibit that is attached and incorporated by reference shall be limited to the purposes for which it is attached, as specified in this Agreement. Any contractual terms or conditions contained in such exhibit imposing additional obligations on the City are not binding upon the City unless specifically agreed to in writing, and initialed by the authorized City representative, as to each additional contractual term or condition.

16. **AMBIGUITIES.** This Agreement has been negotiated at arms' length between persons knowledgeable in the matters dealt with herein. Accordingly, any rule of law, including, but not limited to, Section 1654 of the Civil Code of California, or any other statutes, legal decisions, or common-law principles of similar effect, that would require interpretation of any ambiguities in this Agreement against the party that drafted this Agreement is of no application and is hereby expressly waived.

17. **VENUE.** This Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this agreement shall be held exclusively in a state court in the County of Merced.

18. **AMENDMENT.** This Agreement shall not be amended, modified, or otherwise changed unless in writing and signed by both parties hereto.

19. **INTEGRATION.** This Agreement constitutes the entire understanding and agreement of the parties and supersedes all previous and/or contemporaneous understanding or agreement between the parties with respect to all or any part of the subject matter hereof.

20. **AUTHORITY TO EXECUTE.** The person or persons executing this Agreement on behalf of the parties hereto warrants and represents that he/she/they has/have the authority to execute this Agreement on behalf of their entity and has/have the authority to bind their party to the performance of its obligations hereunder.

21. **COUNTERPARTS.** This Agreement may be executed in one or more counterparts with each counterpart being deemed an original. No counterpart shall be deemed to be an original or presumed delivered unless and until the counterparts executed by the other parties hereto are in the physical possession of the party or parties seeking enforcement thereof.

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

ATTEST:
STEVE CARRIGAN, CITY CLERK

BY: _____
Assistant/Deputy City Clerk

APPROVED AS TO FORM:

BY:  12-6-2017
City Attorney Date

ACCOUNT DATA:

BY: _____
Verified by Finance Officer

CONSULTANT
ALLIANCE REFUSE TRUCKS, INC.,
An Arizona Corporation

BY: Karrie Warrington
(Signature)

Karrie Warrington
(Typed Name)

Its: President
(Title)

BY: Ronald R. Alderfer
(Signature)

RONALD R. ALDERFER
(Typed Name)

Its: VICE PRESIDENT OF SALES
(Title)

Taxpayer I.D. No. 20-5951436

ADDRESS: 1985 W. Tremaine Ave.
Gilbert, AZ 95233

TELEPHONE: (602) 721-1264

FAX: 480-921-3494

E-MAIL: RON@ALLIANCETRUCKS.COM

SCOPE OF WORK

The services required will include the refurbishment of existing City refuse trucks and the supply of one each side loading and front loading refuse trucks. The City may purchase complete or partial refurbishments as needed.

VENDOR REQUIREMENTS

1. The vendor shall provide all labor, management, equipment, materials, and transportation necessary to provide refurbished refuse equipment to the City.
2. The winning vendor must make arrangements for transportation of Refuse Trucks to be refurbished at no cost to the City. The vendor must deliver ALL refurbished equipment to the City free of charge within the performance guarantee timeline stated herein.
3. Participating vendors must be actively engaged in the refurbishment of refuse equipment services and must perform the duties awarded by each refurbishment authorization.
4. Refurbished equipment under this agreement shall meet or exceed all manufacturer specifications and all work shall be performed by the winning vendor.
5. The vendor will not subcontract or use any other parties to perform refurbished, installation and services without written authorization from the City. The vendor's use of any subcontractor or other parties to perform services shall not relieve, release or affect in any manner any of the vendor's duties, liabilities or obligations hereunder, and vendor shall at all times be and remain fully liable hereunder. If applicable, the vendor's primary associates shall have a minimum of 2 years' experience providing refuse refurbishment services, preferably in the State of California.
6. The City prefers the vendor use Automotive Service Excellence (A.S.E.) certified technicians for heavy equipment.
7. It will be up to the vendor to employ a sufficient number of trained and capable personnel to properly, adequately, safely, and promptly provide services. All matters pertaining to manufacturers, suppliers, approved subcontractors, employees, etc. are the responsibility of the vendor, who is in all respects the employer and the City of Merced shall have no liability with respect thereto. All other approved subcontractors and personnel working on this project shall have specific factory, and/or field training in accordance with industry standards. Unskilled subcontractors and personnel are not permitted to perform work and/or service of any kind.
8. The vendor shall ensure their personnel is properly qualified and will use reasonable care in the performance of services. If the City determines, for any reason, that the qualifications, actions, or conduct of any particular vendor personnel has violated this agreement by performing unsatisfactory services, that the City deems detrimental to the City, then upon receipt of the City of Merced written notice, the vendor shall immediately provide qualified replacement person(s), to perform services required on City equipment.
9. The vendor shall be familiar with Federal, State, County, and City's procedures for the refurbishing and installation of equipment with these units. The equipment furnished shall conform to ANSI Safety Standard Z245.1-2012.
10. The vendor must provide a sample of an in-house quality control documentation with the submittal of this RFP.

PRE AND POST BUILD MEETING

A pre-build meeting will be conducted at the City of Merced, Public Works facility, located at 1776 Grogan Ave, Merced, CA 95341 prior to the refurbishment process being started by the vendor. The vendor must provide detailed drawings showing the layout of the chassis and body being refurbished. Representatives of the vendor will be required to attend. This meeting will be conducted at no charge to the City.

Prior to a complete truck being delivered to the City of Merced, the tare weight of each truck (less the driver and full of fuel) must be provided to the City of Merced. A Tare Weight receipt will be provided at no charge at any City of Merced transfer station, and must be provided to fleet upon delivery.

WARRANTY

1. All equipment purchased under this agreement will carry a six (6) month warranty against all defects in workmanship. All new components installed during the refurbishment will carry the OEM manufacturer warranty. All remanufactured engines or transmissions will carry a one (1) year warranty.
2. All equipment supplied under the agreement shall be fully guaranteed by the vendor for the minimum period stated in these specifications, the warranty will start from the in-service date as reported by the City. Any defects of design, workmanship, or materials that would result in non-compliance with the agreement specifications shall be fully corrected by the vendor (including parts and labor) without cost to the City.
3. All warranty work to be completed within 7 calendar days of vendor notification.
4. If a warrantable failure occurs, the City prefers that all units are picked-up or on-site service for repair by the vendor within 72 hours of notification of failure.
5. If the vendor does not have an authorized warranty repair facility in Merced, the vendor shall pick-up and deliver equipment to the specified City address, at no charge to the City.

REFURBISHMENT SERVICES

The following outlines the typical minimum specifications required for the refurbishment of refuse equipment components under this agreement. This should be used for vendor informational purposes; each vendor must be able to meet these typical specifications. When refurbishment services are needed, exact specifications will be outlined in the RFP.

Body

1. Hopper floors shall be replaced or an additional layer of .250 thick AR400 material (minimum) and fully welded. Hopper walls shall be replaced or an additional layer of .250 thick AR400 material (minimum) and fully welded. Body floor shall be replaced or additional layer of .1875 thick A36 mild steel material (minimum) and fully welded. Body walls and roofs must be inspected for damage, if damage is present, they must be replaced with 10 gauge A36 mild steel material (minimum) and fully welded. Inspect all body components for damage and components showing excessive wear, cracks, or damage must be replaced or repaired as necessary. All wear surfaces must be replaced with equivalent thickness AR400 material to match original specification. Tailgate sheets must be inspected for damage, if damage is present; they must be replaced with 10 gauge A36 mild steel material and fully welded. Tailgate seal track shall be replaced. Tailgate seal shall be

replaced. The rear underride guard (bumper) shall be inspected and repaired or replaced. The Underride Guard must meet Federal Motor Carrier Safety Regulations 49CFR393.86, TTMA RP No. 41-02, and SAE J682 OCT. 84. Packer Face shall be refaced with .250 thick AR400 material.

2. Lifting Mechanism

3. All Pins, Bushings, Rollers, and Bearings shall be replaced. Grabber Belts or pads shall be replaced. Any wear surfaces shall be replaced.

Hydraulics

1. Hydraulic system must be flushed and cleaned prior to final assembly of the system. The hydraulic pump shall be replaced with equivalent pump to existing equipment. Hydraulic tank must be cleaned and flushed. All steel tubing shall be inspected and replaced if tubing shows any signs of wear or damage. All hoses shall be replaced with braided hose and covered with sheathing with a pressure-rating equivalent to current system pressure of the truck. All hydraulic filtration must be replaced with new components. All cylinders must be disassembled and inspected for damage. If damage is present, cylinders must be replaced. If no damage is present cylinders, need to be re-sealed with new seals and wear bands minimum. All cylinders must be bench tested with a test report; test report shall be available upon request. All valves shall be disassembled and inspected for wear and damage. If any damage is present, damaged components need to be replaced. Valves must then be cleaned and re-sealed, prior to installation on truck. All valves must be bench tested with a test report; test report shall be available upon request. All components of the hydraulic system must be tested for a minimum of 2 hours prior to shipment of unit.
2. If the unit is equipped with a service hoist, the service hoist pump must be replaced with a new unit.

Controls

1. The control system shall be replaced with a simple non-PLC control system unless current control system is required for proper operation of hydraulic systems. In this case, components need to be inspected and replaced as necessary.
2. If the truck is equipped with a pneumatic joystick, the joystick will need to be replaced.
3. The body controls shall be electric over pneumatic over Hydraulic or electric over hydraulic, excluding arms and forks.

Electrical

All wiring needs to be replaced on body and lifting components. Wiring must be minimum 14ga wire per SAE J1128. All connectors must be weather tight seals. All electrical connections must have dielectric grease. All electrical harnesses shall be protected with Split Loom wire wrap tubing.

Lighting

All lighting on the body to comply with federal and local lighting requirements. All lighting shall be installed with shock mounted rubber grommets. All lighting on the body to be replaced with LED including strobe and work lights. **The vehicle shall be equipped with a rear mounted strobe style beacon light and rear clearance lights to strobe as well.** Rear mud flaps must be replaced and meet DOT requirements.

Painting

The entire unit shall be properly cleaned of all dirt grease and hand sanded. This includes body, cab, chassis, and components. Media Blasting will not be acceptable. The body, cab, and frame shall be painted with IMRON Polyurethane paint or equivalent. Color to be decided at time of order, price accordingly. Painting must be done with an EPA (6H Rule) complaint paint facility, NO EXCEPTIONS. Painting technicians must be 6H Rule certified and certified by Axalta.

Engine

Vendor must have a Master Heavy ASE certified mechanic on site, NO EXCEPTIONS. The engine shall be inspected and either rebuilt or replaced with a factory remanufactured engine. All engine mounts shall be replaced. The radiator shall be replaced. All engine fuel injectors shall be replaced with remanufactured fuel injectors (minimum). Engine turbo charger must be replaced with remanufactured engine turbo charger (minimum).

Transmission

The transmission shall be replaced with a remanufactured transmission. The remanufactured transmission shall have a one-year warranty (minimum). All transmission cooler lines shall be replaced. Transmission shall be filled with Synthetic transmission fluid. All removal and installation shall be done on vendor's site, NO EXCEPTION.

Brakes

Technician/Mechanic working on braking system must be factory trained by Bendix or Meritor, NO EXCEPTIONS. All brake shoes shall be replaced with new brake shoes. All brake drums shall be replaced with new brake drums. All hub seals must be replaced with new hub seals. Brake S-Cams, Bushing, and Slack Adjusters must be replaced with new equipment.

Differentials

Differentials must be inspected for proper operation. Differentials must be drained and inspected for metal debris. Differentials must be filled with new differential fluid.

Air Conditioning

Technician/Mechanic must be EPA 609 certified, NO EXCEPTIONS. Vendor must have proper equipment on site to service the air conditioning system. All damaged, failed, or weak components must be replaced.

Suspension

Vendor must have trained suspension technician/mechanic on site. King Pins must be replaced with STEMCO Kaiser No-Ream King Pins and spiral steel bushings. No plastic lined bushings shall be used. All shackle spring pins and bushings shall be replaced with new equipment. All

rubber bushings shall be replaced with urethane bushings as needed.

Safety and Precautions

Vendor shall have sole responsibility for means, methods, techniques, procedures, and safety precautions in connection with the refurbishment of these units. All tests shall be performed to manufacturer's specifications. The vendor will always follow all local, state, and national regulations including OSHA, NFPA requirements, state and local safety operating procedures in refurbishing, installation and service of these units.

Unless otherwise requested by the vendor, it will be assumed that the vendor has copies of the manufacturer's instruction manuals for the equipment installation and service.

The vendor shall be responsible for implementing all final settings and adjustments on the equipment in accordance with manufacturer's/engineering specifications.

Frame Rail Inspection Requirements

The vendor shall implement the appropriate procedures for a complete frame rail inspection prior to start of any work required under this agreement or reasonable inferred whether or not expressly stated herein. If the frame rail has any indications of cracks, breaks, or fatigue, the City must be notified immediately so an inspection can be scheduled. The City will provide instructions on how to proceed. If the City decides not to proceed with the refurbishment of the supplied chassis, the City will reimburse the vendor for a maximum of two shop hours, for the failed initial inspection.

Alliance

REFUSE TRUCKS

Fee Proposal for Refurbishment of Refuse Trucks

1985 W. Tremaine Ave
Gilbert, AZ, 85233
Phone: 602-721-1264
www.alliancetrucks.com

EXHIBIT B



1985 W. Tremaine Ave
Gilbert, AZ 85233

Sales Quote

Date	S.O. No.
11/21/2017	201669

Name / Address
City of Merced Dan Arnold 1776 Grogan Ave Merced CA 95341

Ship To
City of Merced Dan Arnold 1776 Grogan Ave Merced, CA 95341

P.O. No.	Rep	Truck #
New Customer	RA	

Item	Description	Ordered	Rate	Amount
Misc Parts	<p>Refurbish Customer supplied 2006 Peterbilt, Heil Front Loader ASL, Body and Chassis # 1120 - includes shipping cost.</p> <p>Engine:</p> <ul style="list-style-type: none"> •Cummins ISL 9 – Diesel crate motor •New motor mounts <p>Transmission:</p> <ul style="list-style-type: none"> •Remanufactured Allison transmission •New transmission cooler lines •New fluids •New U-Joints •Synthetic transmission fluid <p>Brakes:</p> <ul style="list-style-type: none"> •New drums •New S-Cams •New shoes •New slack adjusters •New differential oil •New wheel seals <p>Air Conditioning:</p> <ul style="list-style-type: none"> •New compressor •New lines •New dryer •New expansion Valve •New condenser •R134A Coolant <p>Suspension:</p> <ul style="list-style-type: none"> •New King Pins (Stemco Kaiser - No Ream) •New spring bushings 	1	149,950.00	149,950.00T
			Total	



1985 W. Tremaine Ave
Gilbert, AZ 85233

Sales Quote

Date	S.O. No.
11/21/2017	201669

Name / Address
City of Merced Dan Arnold 1776 Grogan Ave Merced CA 95341

Ship To
City of Merced Dan Arnold 1776 Grogan Ave Merced, CA 95341

P.O. No.	Rep	Truck #
New Customer	RA	

Item	Description	Ordered	Rate	Amount
	<ul style="list-style-type: none"> •New torque rods – rear •New pillow blocks Body Fabrication/Repair: <ul style="list-style-type: none"> •New floor •New hopper walls •Side walls replaced as needed •Tailgate sheets replaced as needed Wiring: <ul style="list-style-type: none"> •New body wiring Lighting: <ul style="list-style-type: none"> •New lighting wiring •New LED lights •Rear mounted strobe beacon Differentials:: <ul style="list-style-type: none"> •Drained •Inspected •Re-Filled Frame Rails: <ul style="list-style-type: none"> •Inspected Hydraulics: <ul style="list-style-type: none"> •Rebuild hydraulic cylinders •New hydraulic hoses •Rebuild hydraulic valve •New Alliance control system •New pump •New hydraulic filters Paint:			
		Total		



1985 W. Tremaine Ave
Gilbert, AZ 85233

Sales Quote

Date	S.O. No.
11/21/2017	201669

Name / Address
City of Merced Dan Arnold 1776 Grogan Ave Merced CA 95341

Ship To
City of Merced Dan Arnold 1776 Grogan Ave Merced, CA 95341

P.O. No.	Rep	Truck #
New Customer	RA	

Item	Description	Ordered	Rate	Amount
	<ul style="list-style-type: none"> •Hand sand body and cab •Paint body and cab – Axalta IMRON paint <p>Cab Interior</p> <ul style="list-style-type: none"> •New seats •New windshields •Clean/Detail <p>Tires/wheels:</p> <ul style="list-style-type: none"> •New front tires •New recap fear tires •Tires mounted on Merced wheels •New Mudflaps <p>Pick-up/Delivery:</p> <ul style="list-style-type: none"> •Alliance to pick up from Merced and deliver back to Merced <p>Warranty:</p> <ul style="list-style-type: none"> •1 year engine per OEM •1 year transmission per rebuild vendor •6 months on Alliance Refuse Trucks workmanship <p>****Payment Terms: Alliance Refuse Trucks to receive payment in full within 21 days from delivery of truck to the City of Merced.** Out-of-state sale, exempt from sales tax</p>		0.00%	0.00
Total				\$149,950.00



1985 W. Tremaine Ave
Gilbert, AZ 85233

Sales Quote

Date	S.O. No.
11/21/2017	201668

Name / Address
City of Merced Dan Arnold 1776 Grogan Ave Merced CA 95341

Ship To
City of Merced Dan Arnold 1776 Grogan Ave Merced, CA 95341

P.O. No.	Rep	Truck #
New Customer	RA	

Item	Description	Ordered	Rate	Amount
Misc Parts	<p>Refurbish Customer supplied 2006 Peterbilt, Heil Rapid Rail ASL, Body and Chassis # 1072 - includes shipping cost.</p> <p>Arm: Python Arm does not require rebuild:</p> <p>Engine:</p> <ul style="list-style-type: none"> •Cummins ISL 9 – Diesel crate motor •New motor mounts <p>Transmission:</p> <ul style="list-style-type: none"> •Remanufactured Allison transmission •New transmission cooler lines •New fluids •New U-Joints •Synthetic transmission fluid <p>Brakes:</p> <ul style="list-style-type: none"> •New drums •New S-Cams •New shoes •New slack adjusters •New differential oil •New wheel seals <p>Air Conditioning:</p> <ul style="list-style-type: none"> •New compressor •New lines •New dryer •New expansion Valve •New condenser •R134A Coolant <p>Suspension:</p>	1	145,950.00	145,950.00T
			Total	



1985 W. Tremaine Ave
Gilbert, AZ 85233

Sales Quote

Date	S.O. No.
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Name / Address
City of Merced Dan Arnold 1776 Grogan Ave Merced CA 95341

Ship To
City of Merced Dan Arnold 1776 Grogan Ave Merced, CA 95341

P.O. No.	Rep	Truck #
New Customer	RA	

Item	Description	Ordered	Rate	Amount
	<ul style="list-style-type: none"> •New King Pins (Stemco Kaiser - No Ream) •New spring bushings •New torque rods – rear •New pillow blocks Body Fabrication/Repair: <ul style="list-style-type: none"> •New floor •New hopper walls •Side walls replaced as needed •Tailgate sheets replaced as needed Wiring: <ul style="list-style-type: none"> •New body wiring Lighting: <ul style="list-style-type: none"> •New lighting wiring •New LED lights •Rear mounted strobe beacon Differentials:: <ul style="list-style-type: none"> •Drained •Inspected •Re-Filled Frame Rails: <ul style="list-style-type: none"> •Inspected Hydraulics: <ul style="list-style-type: none"> •Rebuild hydraulic cylinders •New hydraulic hoses •Rebuild hydraulic valve •New Alliance control system •New pump •New hydraulic filters 			
			Total	



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New Customer	RA	

Item	Description	Ordered	Rate	Amount
	<p>Paint:</p> <ul style="list-style-type: none"> •Hand sand body and cab •Paint body and cab – Axalta IMRON paint <p>Cab Interior</p> <ul style="list-style-type: none"> •New seats •New windshields •Clean/Detail <p>Tires/wheels:</p> <ul style="list-style-type: none"> •New front tires •New recap rear tires •Tires mounted on Merced wheels •New Mudflaps <p>Pick-up/Delivery:</p> <ul style="list-style-type: none"> •Alliance to pick up from Merced and deliver back to Merced <p>Warranty:</p> <ul style="list-style-type: none"> •1 year engine per OEM •1 year transmission per rebuild vendor •6 months on Alliance Refuse Trucks workmanship <p>**Payment Terms: Alliance Refuse Trucks to receive payment in full within 21 days from delivery of truck to the City of Merced.** Out-of-state sale, exempt from sales tax</p>		0.00%	0.00
Total				\$145,950.00



ADMINISTRATIVE REPORT

Agenda Item H.8.

Meeting Date: 1/2/2018

Report Prepared by: Julie A. Trujillo, Deputy Finance Officer, Finance Department

SUBJECT: Amendment to Agreement for Software Licensing with Superion, LLC (Formerly Sungard Public Sector) to Add Software Programming to the Alignment on Payroll Checks

REPORT IN BRIEF

Consider approving an Amendment for Software Licensing with Superion, LLC to add software programming to modify the alignment on payroll checks.

RECOMMENDATION

City Council - Adopt a motion approving Amendment No. 11 to the Software Licensing Agreement with Superion, LLC for \$800 so that programming can be performed to allow printing of payroll checks on the new, more secure check stock; and, authorizing the City Manager or Assistant City Manager to execute the necessary documents.

ALTERNATIVES

1. Approve as recommended by staff; or
2. Return to staff to revise; or
3. Deny.

AUTHORITY

Chapter 3.04 of the Merced Municipal Code, relating to contractual services over thirty thousand dollars.

CITY COUNCIL PRIORITIES

As provided for in the 2017-18 Adopted Budget.

DISCUSSION

Earlier this fiscal year, the Finance Department upgraded the check stock to provide for improved security and found it necessary to make slight modifications to the print layout of the checks.

In order to use the more secure stock for payroll checks, it is necessary for Superion to adjust the print layout. With the approval of the amendment, Superion will complete the work in 30 days.

IMPACT ON CITY RESOURCES

Funds are available within the Finance Departments Fiscal Year 2017-18 budget.



ADMINISTRATIVE REPORT

Agenda Item H.9.

Meeting Date: 1/2/2018

Report Prepared by: Jennifer Meissonnier, Recreation Supervisor, Parks and Recreation

SUBJECT: Agreement with Merced Zoological Society

REPORT IN BRIEF

Annual agreement with Merced Zoological Society to contribute at least \$75,000 of the total operating budget for Fiscal Year 2017/2018.

RECOMMENDATION

City Council - Adopt a motion approving the agreement with the Merced Zoological Society for payment of at least \$75,000 (approximately 28%) of the total operating budget at the Zoo and authorizing the City Manager or Assistant City Manager to execute the necessary documents.

ALTERNATIVES

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

AUTHORITY

Charter of the City of Merced, Section 200.

CITY COUNCIL PRIORITIES

As provided for in the 2017-18 Adopted Budget

DISCUSSION

Since 1994, the City of Merced has entered into annual agreements with the Merced Zoological Society for assistance with the operating costs of the Applegate Park Zoo. Generally, the contributions from the Society are used for operating expenses such as animal health, supplies, landscaping and staff costs. The Merced Zoological Society collects money by charging an entrance fee to the Zoo, operating the Bear Creek Nature Store, as well as hosting fundraisers throughout the year.

The Society has been required to reimburse the City varying amounts of money throughout the years. Most recently, from fiscal years 2012/13 to 2015/16, the Society began contributing a much

higher amount than they had previously. They increased their support during these years because of the financial situation facing the City. While they have been able to meet, and at times exceed the required contribution, they have had to depend on their reserves in some cases. They have also had increased expenses in the past several years, having to hire a part time employee to operate the gift shop/entry gate on weekends, due to lack of volunteer participation. Previous to their contribution being increased, the Society was able to provide more in-kind services to the City, such as repairs, purchasing supplies and animal enrichment. Unfortunately, because of their increased contribution and employee expenses, they no longer have enough funds left over to provide the City with the level of in-kind services that they once did.

Last year, the Society expressed great concern for being able to sustain a contribution of \$85,000. They asked the City to reduce their minimum contribution from \$85,000 (all entry fees plus \$15,000 from their gift shop sales/fundraisers) to \$80,000 (all entry fees, plus \$10,000 from gift shop sales/fundraisers), and provide \$5,000 worth of in-kind services instead of a monetary payment of \$5,000.

This year, they have again expressed an inability to meet the previous year's contribution level. They have again asked to reduce their minimum contribution from \$80,000 to \$75,000, while still providing any entry gate fees that exceed this amount, but without any additional contribution from gift shop sales/fundraisers. Also, they stated they will make their best effort to provide \$5,000 worth of in-kind services.

In June 2017, the City Council approved a budget for FY 2017-18 that included a contribution by the Society of at least \$80,000 (approximately 29%). Decreasing their contribution to \$75,000 will result in a \$5,000 loss of revenue, but will most likely be recovered by unanticipated revenues in other areas of the Parks and Recreation budget. In addition, based on current projections, their gate revenues could reach \$80,000.

The Society continues to support the City as much as possible. There have been many times throughout the last 20 years that their contributions have exceeded what was asked of them.

IMPACT ON CITY RESOURCES

The contributed funds will be placed in Zoo revenue account 024-1205-360.02-01.

ATTACHMENTS

1. Annual Agreement
2. Zoo Financial Report

AGREEMENT FOR SERVICES

THIS AGREEMENT is made and entered into this _____ day of _____ 2018, by and between the City of Merced, a California Charter Municipal Corporation (hereinafter referred to as “City”) and the Merced Zoological Society, a California Nonprofit Corporation (hereinafter referred to as “Society”).

WHEREAS, City has faced a significant reduction in its ability to fund discretionary programs, yet recognizes the value of the Applegate Park Zoo (hereinafter referred to as “Zoo”) as an important part of the quality of life in this community; and,

WHEREAS, Society is a nonprofit organization formed to assist the City with a program of Zoo renovation and expansions so as to provide increased educational and recreational opportunities to visitors of and operations of the Zoo; and,

WHEREAS, Society is willing to make contributions to City to defray the operational cost of the Zoo in exchange for the City’s continued operation of the Zoo.

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

1. Society agrees to pay City all entry fees collected at the Zoo. Society guarantees that entry fees will be at least Seventy-Five Thousand Dollars (\$75,000.00). In the event the total entry fees collected exceeds Seventy-Five Thousand Dollars (\$75,000.00), Society agrees to include the additional entry fees collected in their final payment to the City on June 30, 2018. In the event that entry fees and contribution 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. Society agrees to pay to City all entry fees that are collected at the end of each month. In the event entry fees do not meet this amount, both parties shall meet to discuss further obligations.

2. In exchange for the payments made by Society, City agrees to continue the operation of the Zoo. Society shall collect an entry fee to the Zoo on behalf of the City and shall operate a gift shop. In addition, it is understood the Society may undertake the following specific activities:

- a. Collect an entry fee to the Zoo on behalf of the City for group tours and special events.
- b. Operate the Bear Creek Nature Store Gift Shop.
- c. Operate the soft drink machines as part of the Gift Shop.
- d. Hold fundraisers and special events such as "Zoo Boo," "Teddy Bear Days," Birthday Parties," "Zoo Camp," "Animal Adoption," and the like.
- e. Purchase and sell food pellets to the public to feed the goats and other domesticated animals. Type of food and quantity subject to approval by Zookeepers.
- f. Offer membership to the Merced Zoological Society and allow free admission to the Zoo for Society Members.
- g. Seek additional sponsorships and donations.

Any proceeds from entry fees shall be credited toward the payments by Society to City as described in paragraph 1 hereof.

In addition to the above-mentioned activities, the Society shall make its best effort to provide at least Five Thousand Dollars (\$5,000.00) worth of in-kind service at the Zoo. In the event that the Five Thousand Dollars (\$5,000.00) is not met, both parties will meet to discuss further obligations. Society shall provide an itemized accounting of all in-kind services provided.

3. **RECORDS AND REPORTS.** It is understood and agreed that all records, files, reports, etc. in possession of Society relating to the collection of an entry fee for the City shall be the property of the City and may be reviewed by the City at any time. Society agrees to deliver a report summary of entry fees collected to the City at the end of each month reporting the previous month's statistics.

4. **INDEPENDENT CONTRACTOR.** It is expressly understood that Society is an independent contractor and that its employees, volunteers and agents shall not be considered employees of or have any contractual relationship with the City in the course of providing services under this Agreement. Society shall

indemnify, defend (with legal counsel reasonably agreeable to both City and Society), protect, save and hold the City harmless from any and all claims or causes of action for death or injury to persons or damage to property resulting from intentional or negligent acts, errors, or omissions of Society's employees, volunteers or agents during performance of this Agreement.

Society shall be responsible for the payment of all taxes, workers' compensation insurance and unemployment insurance, if any. Should Society desire any insurance protection not otherwise required by this Agreement, Society is to acquire the same at its expense.

5. INSURANCE. During the term of this Agreement, Society shall maintain in full force and effect at its own cost and expense, the following insurance coverage:

a. Workers' Compensation Insurance. Full Workers' Compensation Insurance shall be provided with a limit of at least One Hundred Thousand Dollars (\$100,000) for any one (1) person.

b. General Liability. Society shall obtain and keep in full force and effect a commercial and general liability of at least Five Hundred Thousand Dollars (\$500,000) combined limit for bodily injury and property damage; provided that the City, its officers, employees, volunteers and agents are to be named additional insureds under the policies, and that the policies shall stipulate that this insurance will operate as primary insurance for work performed by Society and its sub-contractors, and that no other insurance effected by City or other named insureds will be called on to cover a loss covered thereunder. The General Liability insurance shall be provided by an ISO Commercial General Liability policy, with edition dates of 1985, 1988, or 1990. The City will be named as an additional insured using ISO form CG 20 10 11 85 or the same form with an edition date no later than 1990.

c. Certificate of Insurance. Society shall complete and file with the City prior to engaging in any operation or activity set forth in this Agreement, certificates of insurance, or certified copies thereof, evidencing coverage as set forth above and which shall provide that no cancellation or expiration by the insurance company will be made during the term of this Agreement, without thirty (30) days written notice to City prior to the effective date of such cancellation, including cancellation for non-payment of premium. In lieu of the ISO form CG20 10 11 85 with an edition date no later than 1990, City will accept certified copies

of the insurance policy or policies with the endorsements and cancellation provisions required by this Section 5.

6. INDEMNIFICATION AND SOCIETY'S RESPONSIBILITIES.

Society shall indemnify, protect, defend (with legal counsel reasonably agreeable to both City and Society), and hold harmless City and its officials, officers, employees, agents, and volunteers from and against any and all liability, claims, suits, actions, damages, and causes of action arising out of any personal injury, bodily injury, loss of life, or damage to property, or any violation of any federal, state, or municipal law or ordinance, to the extent caused, in whole or in part, by the willful misconduct or negligent acts, errors, or omissions of Society or its employees, subcontractors, or agents, or by the quality or character of their work. The foregoing obligation of Society shall not apply when (1) the injury, loss of life, damage to property, or violation of law arises wholly from the negligence or willful misconduct of the City or its officers, employees, agents, or volunteers; and, (2) the actions of Society or its employees, subcontractor, or agents have contributed in no part to the injury, loss of life, damage to property, or violation of law. It is understood that the duty of Society to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Society from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Society acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.

In the event that Society or any employee, agent, or subcontractor of Society providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the City, Society shall indemnify, defend, protect, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Society or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

7. NEGOTIATION MEETING. Society and City shall meet at a mutually agreed date to negotiate Society's contribution for the next fiscal year if it appears that the parties intend to enter into an agreement for the next fiscal year.

8. COMPLIANCE WITH ALL LAWS. Society shall comply with the standard of care regarding all applicable Federal, State and municipal laws and regulations. No discrimination shall be made by Society in the employment of persons to work under this Agreement because of race, color, national origin, ancestry, disability, sex, or religion of such person.

9. PERSONAL LIABILITY. Under no circumstances is any member of the Merced Zoological Society (Executive Board or Members) personally responsible for the quarterly payments that the Society is to make to the City.

10. WAIVER. In the event that either City or Society shall at any time or times waive any breach of this Agreement by the other, such waiver shall not constitute a waiver of any other or succeeding breach of this Agreement, whether of the same or any other covenant, condition or obligation. Waiver shall not be deemed effective until and unless signed by the waiving party.

11. VENUE. This Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this Agreement shall be held exclusively in a state court in the County of Merced.

12. AMENDMENT. This Agreement shall not be amended, modified, or otherwise changed unless in writing and signed by both parties hereto.

13. INTEGRATION. This Agreement constitutes the entire understanding and agreement of the parties and supersedes all previous and/or contemporaneous understanding or agreement between the parties with respect to all or any part of the subject matter hereof.

14. AUTHORITY TO EXECUTE. The person or persons executing this Agreement on behalf of the parties hereto warrants and represents that he/she/they has/have the authority to execute this Agreement on behalf of their entity and has/have the authority to bind their party to the performance of its obligations hereunder.

15. COUNTERPARTS. This Agreement may be executed in one or more counterparts with each counterpart being deemed an original. No counterpart shall be deemed to be an original or presumed delivered unless and until the counterparts executed by the other parties hereto are in the physical possession of the party or parties seeking enforcement thereof.

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

ATTEST:
STEVE CARRIGAN, CITY CLERK

BY: _____
Assistant/Deputy City Clerk

APPROVED AS TO FORM:

BY:  12-6-2017
City Attorney Date

ACCOUNT DATA:

BY: _____
Verified by Finance Officer

MERCED ZOOLOGICAL SOCIETY,
A California Nonprofit Corporation

BY Veronica Mathis

Title: President

Print Name: Veronica Mathis

BY: Marcela Postova

Title: Vicepresident

Print Name: MARCELA POSTOVA

Taxpayer I.D. No. 77-0011580

ADDRESS: P.O. Box 408
Merced, CA 95341

TELEPHONE: (209) 725-3337

FACSIMILE: _____

E-MAIL: _____

City of Merced																	
Zoo Expenditures																	
2007 thru 2017																	
			2017			2016		2015		2014		2013		2012		2011	20
Account Number	Element	Cumulative	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
024-1205-541.01-00	Regular Salaries		91,130	91,129	82,811	82,810	52,586	52,092	51,740	51,739	51,331	51,331	49,514	47,294	46,574	46,573	51,154
024-1205-541.03-00	Extra Help		48,768	48,767	40,464	40,463	45,571	45,570	40,080	40,080	38,584	36,231	43,773	43,772	38,537	38,536	32,715
024-1205-541.04-01	Regular Overtime		40	40	278	185	993	599	1,385	1,384	2,259	348	92	92	1,204	1,020	3,142
024-1205-541.04-04	Call Back Time Worked				131	0	133		16		131		131		131	43	95
024-1205-541.10-01	Holiday Pay		3,632	3,632	3,284	3,283	1,765	1,465	1,925	1,925	1,924	1,924	1,929	1,928	1,923	1,923	1,883
024-1205-541.10-02	Unused Sick Leave																116
024-1205-541.10-05	Retirement PERS		9,838	9,838	14,163	14,162	13,278	12,496	11,688	11,687	11,052	11,051	10,353	10,082	8,382	8,382	9,025
024-1205-541.10-06	Social Security-OASDI		5,883	5,719	5,698	5,136	3,481	3,176	3,407	3,327	3,475	3,191	3,771	2,985	3,608	3,126	3,861
024-1205-541.10-07	Social Security-Medicare		2,189	2,045	2,241	1,788	1,446	1,403	1,368	1,367	1,377	1,274	1,355	1,309	1,292	1,291	1,302
024-1205-541.10-08	State Unemployment												12,251	12,251	31,049	31,049	725
024-1205-541.10-09	Long Term Disability																
024-1205-541.10-10	Retirement - PERS New Membr		7,517	7,293	7,441	7,441											
024-1205-541.10-11	Group Life Insurance																
024-1205-541.10-12	Workers Compensation		3,920	3,920	6,768	6,768	19,355	19,355	13,269	13,269	24,829	24,829	14,410	14,410	19,175	17,837	12,094
024-1205-541.10-15	Vision Plan																
024-1205-541.10-16	Dental Plan																
024-1205-541.10-18	Management Physicals														14		
024-1205-541.10-20	Earned Benefit		1,502	1,057					1,932	1,884	3,477	869	3,477	135	3,018	3,018	3,606
024-1205-541.10-23	Uniform Cleaning																
024-1205-541.10-27	PTS Plan FICA Alternative		691	641	803	528	593	593	525	525	506	473	562	547	588	502	442
024-1205-541.10-32	Cash Back -Biweekly Allow														2		23
024-1205-541.10-33	Core Allowance		27,743	27,742	26,222	26,177	19,608	19,173	20,433	18,896	18,913	18,562	18,953	17,684	16,418	15,939	16,814
024-1205-541.10-35	Post Employment Benefits																2,001
024-1205-541.10-75	Ret-EE Share PERS Classic		4,325	4,213													
024-1205-541.10-77	Ret-EE Share PERS NewMembr		2,551	2,524													
024-1205-542.11-00	Utilities		9,900	9,239	9,308	8,310	9,600	8,980	7,500	6,994	6,600	6,551	7,500	7,500	6,600	6,411	7,139
024-1205-542.12-00	Telephone		732	636	660	616	770	707	720	594	1,140	831	1,140	883	1,140	971	1,040
024-1205-542.16-00	Printing																
024-1205-542.17-00	Professional Services		17,257	15,401	8,238	8,211	7,058	6,943	7,240	7,239	6,240	3,030	6,523	5,624	6,240	4,580	6,400
024-1205-542.18-00	Travel and Meetings																
024-1205-542.19-00	Mileage																
024-1205-542.21-00	Rents/Leases				240	120											
024-1205-542.24-00	Memberships, Subscription		1,911	1,911	1,050	1,047	950	185	1,250	1,238	1,050	974	950	656	950	789	808
024-1205-542.25-00	Maintenance Mats & Svcs		6,530	6,286	7,890	7,436	5,235	5,201	6,630	6,002	6,080	5,533	4,830	4,614	6,138	6,132	6,091
024-1205-542.26-00	Other Equipment O & M																
024-1205-542.27-00	Small Tools																
024-1205-542.28-00	Safety Supplies																
024-1205-542.29-00	Other Materials Supplies		10,458	9,360	14,995	10,849	14,113	11,757	12,800	11,432	10,278	10,102	14,530	9,728	10,892	10,340	8,862
024-1205-542.30-01	Insurance		4,007	4,007	3,425	3,425	1,543	1,543	1,830	1,830	2,337	2,337	3,330	3,330	2,141	2,141	3,577
024-1205-542.35-84	Retro Fee Expense				100	50											
024-1205-542.38-00	Support Services		8,482	8,482	7,408	7,408	4,157	4,157	4,058	4,058	5,154	5,154	5,175	5,175	4,911	4,911	5,308
024-1205-542.45-00	Facilities Maint Charge		5,954	5,954	5,638	5,638	5,542	5,542	4,506	4,506	4,581	4,581	4,522	4,522	5,053	5,053	4,419
024-1205-543.43-00	Machinery/Equipment		200		1,246	1,225	400		400	400	400		400		400		400
024-1205-549-12-00	Telephone				42	42		41	102	101	51	51					
024-1205-549.17-00	Professional Services				98	60	1,139		3,211	2,072	899	899					1,233
024-1205-549.21-00	Rents/Leases																
024-1205-549.24-00	Memberships, Subscription																
024-1205-549.25-00	Maintenance Mats & Svcs						300	300							65	65	189
024-1205-549.29-00	Other Materials Supplies		2,707	2,707	2,356	2,356	1,334	1,000	177	134	3,569	3,569			892	892	2,254
024-1205-647.65-00	Capital Imp. Projects																
	Personnel & Supply Expenses		2,319,197	277,867	252,998	245,534	210,992	202,278	198,192	192,683	206,237	193,694	209,471	194,521	217,337	211,524	186,718
	2007-2017 Cumulative																
024-1201 & 1205-5XX.	Administrative Expense		99,376	8,396	8,190	8,190	5,018	5,018	4,831	4,831	4,139	4,139	4,668	4,668	5,070	5,070	4,768
	Total Expense		2,418,573	286,263	261,188	253,724	216,010	207,296	203,023	197,514	210,376	197,833	214,139	199,189	222,407	216,594	191,486
	One-Third of Total Expense		806,191	95,421	87,062.67	84,575	72,003	69,099	67,674	65,838	70,125	65,944	71,380	66,396	74,136	72,198	63,829
024-1205-360.02-01	Zoo Society Contribution		878,439	85,000	85,000	92,074	85,000	92,647	82,449	87,800	112,803	92,141	75,123	89,351	66,607	70,471	58,125
	Difference Between One-Third Expense and Contribution		(72,248)	10,421	2,063	(7,499)	(12,997)	(23,548)	(14,775)	(21,962)	(42,678)	(26,197)	(3,743)	(22,955)	7,529	1,727	5,704

City of Merced				
Zoo Expenditures				
2007 thru 2017				
		10	2009	
Account Number	Element	Actual	Budget	Actual
024-1205-541.01-00	Regular Salaries	51,153	65,760	63,845
024-1205-541.03-00	Extra Help	32,714	29,628	29,989
024-1205-541.04-01	Regular Overtime	2,788	2,866	2,853
024-1205-541.04-04	Call Back Time Worked		50	41
024-1205-541.10-01	Holiday Pay	1,883	3,114	1,777
024-1205-541.10-02	Unused Sick Leave	114	93	91
024-1205-541.10-05	Retirement PERS	9,024	11,522	11,095
024-1205-541.10-06	Social Security-OASDI	3,535	5,981	4,628
024-1205-541.10-07	Social Security-Medicare	1,301	1,706	1,517
024-1205-541.10-08	State Unemployment	663	965	934
024-1205-541.10-09	Long Term Disability			
024-1205-541.10-10	Retirement - PERS New Membr			
024-1205-541.10-11	Group Life Insurance			
024-1205-541.10-12	Workers Compensation	4,943	10,621	1,576
024-1205-541.10-15	Vision Plan			
024-1205-541.10-16	Dental Plan			
024-1205-541.10-18	Management Physicals			
024-1205-541.10-20	Earned Benefit	2,799	6,877	6,850
024-1205-541.10-23	Uniform Cleaning			
024-1205-541.10-27	PTS Plan FICA Alternative	425	406	390
024-1205-541.10-32	Cash Back -Biweekly Allow	16	37	20
024-1205-541.10-33	Core Allowance	15,122	24,292	24,117
024-1205-541.10-35	Post Employment Benefits	2,001	2,655	651
024-1205-541.10-75	Ret-EE Share PERS Classic			
024-1205-541.10-77	Ret-EE Share PERS NewMemb			
024-1205-542.11-00	Utilities	7,138	4,500	4,282
024-1205-542.12-00	Telephone	976	1,344	1,102
024-1205-542.16-00	Printing			
024-1205-542.17-00	Professional Services	6,150	6,355	4,790
024-1205-542.18-00	Travel and Meetings			
024-1205-542.19-00	Mileage		3	
024-1205-542.21-00	Rents/Leases			
024-1205-542.24-00	Memberships, Subscription	808	1,077	949
024-1205-542.25-00	Maintenance Mats & Svcs	5,939	7,000	7,172
024-1205-542.26-00	Other Equipment O & M		91	91
024-1205-542.27-00	Small Tools		136	135
024-1205-542.28-00	Safety Supplies		146	146
024-1205-542.29-00	Other Materials Supplies	7,944	11,435	8,945
024-1205-542.30-01	Insurance	2,831	5,172	4,858
024-1205-542.35-84	Retro Fee Expense			
024-1205-542.38-00	Support Services	5,308	8,587	6,388
024-1205-542.45-00	Facilities Maint Charge	4,419	5,313	4,744
024-1205-543.43-00	Machinery/Equipment	400	5,400	5,161
024-1205-549-12-00	Telephone			
024-1205-549.17-00	Professional Services	1,233	211	211
024-1205-549.21-00	Rents/Leases			
024-1205-549.24-00	Memberships, Subscription			
024-1205-549.25-00	Maintenance Mats & Svcs	188		
024-1205-549.29-00	Other Materials Supplies	2,254		
024-1205-647.65-00	Capital Imp. Projects			
	Personnel & Supply Expenses	174,069	223,343	199,348
	2007-2017 Cumulative			
024-1201 & 1205-5XX.	Administrative Expense	4,768	9,119	9,119
	Total Expense	178,837	232,462	208,467
	One-Third of Total Expense	59,612	77,487	69,489
024-1205-360.02-01	Zoo Society Contribution	58,125	79,183	79,183
	Difference Between One-Third Expense and Contribution	1,487	(1,696)	(9,694)

City of Merced					
Zoo Expenditures					
2007 thru 2017					
		2008		2007	
Account Number	Element	Budget	Actual	Budget	Actual
024-1205-541.01-00	Regular Salaries	89,008	85,874	77,108	78,061
024-1205-541.03-00	Extra Help	16,987	15,976	16,271	15,813
024-1205-541.04-01	Regular Overtime	5,723	5,477	5,851	5,673
024-1205-541.04-04	Call Back Time Worked				
024-1205-541.10-01	Holiday Pay	3,088	3,050	2,669	2,478
024-1205-541.10-02	Unused Sick Leave	89		111	110
024-1205-541.10-05	Retirement PERS	14,706	12,819	11,200	11,164
024-1205-541.10-06	Social Security-OASDI	5,922	5,091	5,362	5,515
024-1205-541.10-07	Social Security-Medicare	1,589	1,419	1,530	1,519
024-1205-541.10-08	State Unemployment	465	465	465	465
024-1205-541.10-09	Long Term Disability			146	146
024-1205-541.10-10	Retirement - PERS New Membr			19,000	19,000
024-1205-541.10-11	Group Life Insurance			175	175
024-1205-541.10-12	Workers Compensation	7,711	7,711	3,737	3,737
024-1205-541.10-15	Vision Plan			675	675
024-1205-541.10-16	Dental Plan			1,820	1,820
024-1205-541.10-18	Management Physicals	14		14	
024-1205-541.10-20	Earned Benefit	4,508	2,816	4,950	3,099
024-1205-541.10-23	Uniform Cleaning				
024-1205-541.10-27	PTS Plan FICA Alternative	224	208	232	214
024-1205-541.10-32	Cash Back -Biweekly Allow	20	9		
024-1205-541.10-33	Core Allowance	21,883	21,883		
024-1205-541.10-35	Post Employment Benefits				
024-1205-541.10-75	Ret-EE Share PERS Classic				
024-1205-541.10-77	Ret-EE Share PERS NewMemb				
024-1205-542.11-00	Utilities	5,475	3,474	5,000	4,742
024-1205-542.12-00	Telephone	1,682	959	1,132	1,110
024-1205-542.16-00	Printing	1			
024-1205-542.17-00	Professional Services	6,030	3,051	5,600	3,634
024-1205-542.18-00	Travel and Meetings	1			
024-1205-542.19-00	Mileage	143	133	162	
024-1205-542.21-00	Rents/Leases				
024-1205-542.24-00	Memberships, Subscription	959	842	859	859
024-1205-542.25-00	Maintenance Mats & Svcs	7,341	6,283	8,430	8,149
024-1205-542.26-00	Other Equipment O & M	300	299	100	96
024-1205-542.27-00	Small Tools	1		5	
024-1205-542.28-00	Safety Supplies	20	16	50	38
024-1205-542.29-00	Other Materials Supplies	9,300	9,123	8,800	8,318
024-1205-542.30-01	Insurance	3,370	3,370	2,842	2,842
024-1205-542.35-84	Retro Fee Expense				
024-1205-542.38-00	Support Services	8,480	8,480	12,942	12,942
024-1205-542.45-00	Facilities Maint Charge	6,625	6,625	7,324	7,324
024-1205-543.43-00	Machinery/Equipment				
024-1205-549-12-00	Telephone				
024-1205-549.17-00	Professional Services	87		2,009	1,978
024-1205-549.21-00	Rents/Leases				
024-1205-549.24-00	Memberships, Subscription				
024-1205-549.25-00	Maintenance Mats & Svcs	161	160		
024-1205-549.29-00	Other Materials Supplies				
024-1205-647.65-00	Capital Imp. Projects			155,210	25,694
	Personnel & Supply Expenses	221,913	205,613	361,781	227,390
	2007-2017 Cumulative				
024-1201 & 1205-5XX.	Administrative Expense	23,459	23,459	20,718	20,718
	Total Expense	245,372	229,072	382,499	248,108
	One-Third of Total Expense	81,791	76,357	127,500	82,703
024-1205-360.02-01	Zoo Society Contribution	82,209	79,408	155,210	73,677
	Difference Between One-Third Expense and Contribution	(418)	(3,051)	(27,710)	9,026



ADMINISTRATIVE REPORT

Agenda Item H.10.

Meeting Date: 1/2/2018

Report Prepared by: Dan Dabney, Police Sergeant, Police Department

SUBJECT: Approval of Street Closure for the Annual Martin Luther King Jr. Community March and Celebration

REPORT IN BRIEF

Authorizes the use and closure of Martin Luther King Jr. Way from West 8th Street to West Main Street and a portion of the City parking lot in the 300 block of W. 18th Street on Monday, January 15, 2018 to hold a march, parade and food preparation for the annual Martin Luther King, Jr. parade, march and celebration.

RECOMMENDATION

City Council - Adopt a motion approving the request by Tamara Cobb and the Martin Luther King Jr. Celebration Committee to close Martin Luther King Jr. Way from West 8th Street to West Main Street and to cone off a portion of the City parking lot in the 300 block of W. 18th Street on Monday, January 15, 2018, in order to hold the march and prepare food as part of a community celebration.

ALTERNATIVES

1. Approve, as recommended by staff or,
2. Approve, subject to modifications recommended by Council; or,
3. Deny; or,
4. Refer to staff for reconsideration of specific items; or,

AUTHORITY

Charter of the City of Merced, Section 200
City of Merced Municipal Code Section 12.42.010
State of California Vehicle Code Section 21101(e)

DISCUSSION

On March 15, 2018, a march honoring Dr. Martin Luther King Jr. will be held as part of a community-wide celebration that honors Dr. King's leadership, vision and accomplishments. The march will be held on the City's "Martin Luther King Jr. Way," a local street that was renamed to honor his legacy. The route will begin on Martin Luther King Jr. Way at West 8th Street and end in the 300 block of W. Main Street, by the Merced Theatre.

The attached Street Closure request was received from Tamara Cobb and the Martin Luther King Jr. Celebration Committee. The request is to temporarily close 8th Street between "K" Street and Martin Luther King Jr. Way from 9:00 a.m. to 10:00 a.m. to organize and stage the parade participants.

Additionally, the request is to close Martin Luther King Jr. Way/State Highway 59 between West 8th and West Main Street for the parade route.

The parade will start at 10:00 am and will end at approximately 12:00 pm at the West Main Street entrance to the Merced Theatre.

The Martin Luther King Jr. Celebration Committee is also requesting the area of two rows of parking slots in the city parking lot located in the 300 block of West 18th Street behind the Merced Theatre be sectioned off for food preparation.

The businesses and residences along the March-route should receive ample notification of the event. The event Chairperson, Tamara Cobb, and the Martin Luther King Jr. Celebration Committee will be responsible for notifying the businesses and residents along the March-route.

A completed Cal Trans "Encroachment Permit Application" was submitted to Cal Trans on December 14, 2017. Cal Trans will review and approve the encroachment permit contingent upon all ramp and road closures being accomplished in accordance with guidelines provided by Cal- Trans.

As required by the Encroachment Permit, the California Highway Patrol, Cal-Trans and the Merced Police Department will provide traffic control services for the event.

Any additional City services that are needed will be requested separately and from the appropriate departments.

The Street Closure Request contains the following requirements:

1. By applying for the street closure request, the Permittee shall agree to indemnify, protect, defend (with counsel selected by the City), save, and hold City, its officers, employees, agents, and volunteers harmless from any and all claims or causes of action for death or injury to persons, or damage to property resulting from intentional or negligent acts, errors, or omissions of Event Sponsor or Event Sponsor's officers, employees, agents, volunteers and participants during performance of the Event, or from any violation of any federal, state, or municipal law or ordinance, to the extent caused, in whole or in part, by the willful misconduct, negligent acts, or omissions of Event Sponsor or its officers, employees, agents, volunteers, or participants, or resulting from the negligence of the City, its officers, employees, agents, and volunteers, except for loss caused solely by the gross negligence of the City. Acceptance by City of insurance certificates and endorsements required for this Event does not relieve Event Sponsor from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply.
2. Prior to engaging in the event, Event Sponsor shall provide the City with a Certificate of Liability Insurance evidencing coverage in an amount of no less than \$500,000.00 for property damage and \$500,000.00 for personal injury or a minimum combined single limit coverage of \$500,000.00. Said policy shall stipulate that this insurance will operate as primary insurance and that no other insurance will be called on to cover a loss covered thereunder. Additional insured endorsements evidencing

this coverage, naming the City of Merced, its Officers, Employees, and Agents as additional insureds, must be submitted to the City prior to the event. This certificate shall provide that thirty (30) days written notice of cancellation shall be given to the City. Certificates of Insurance shall also be provided for automobile insurances of all automobiles used for the event. If the Event Sponsor has any employee(s), full workers compensation insurance shall be provided with a limit of at least \$100,000.00 for any one person as required by law.

3. Failure to comply with any law, rule, or regulation applicable to the use of said streets shall be grounds to revoke any such permit and, in such circumstances, the Chief of Police shall immediately revoke said permit. The Event Sponsor or permit holder, in such cases, shall have the right to appeal said revocation to the City Council.

4. Event Sponsor shall be responsible for placing and removing all traffic barricades and posting of parking restrictions where street is closed. "No Parking" signs shall be posted at least twenty-four (24) hours prior to towing of vehicle(s) per California Vehicle Code Section 22651(m).

5. Event Sponsor shall contact all businesses and residences affected by the street closures, advising them of the hours, conditions, and reason thereof within one half mile of the closure area at least seventy-two (72) hours prior to the event. Event Sponsor shall provide the City with confirmation that the proper notification was given.

6. Event Sponsor shall be responsible for removing all equipment and disposing of any trash and debris within and around the closure areas that is generated from the event prior to the expiration of the closure permit.

7. The applicant shall arrange and pay for special event City Refuse services by contacting Public Works at (209) 385-6800.

8. Event Sponsor shall provide adequate supervision throughout the course and surrounding intersections to ensure the safety of the participants and the public gathered, as required by the police department.

9. No alcoholic beverages may be served or sold at this event.

10. All other provisions addressed in Ordinance #1941, Chapter 12.42 (Temporary Street Closures) shall apply.

IMPACT ON CITY RESOURCES

Police Department staffing for this event consists of:

One Sergeant (on-duty)

Four Senior Police Officers/SROs (on duty)

One Police Reserve

Three Citizen Volunteers

Four Senior Police Officers (on overtime)

Twenty Police Explorer Scouts

Four Adult Civilian Explorer Scout Advisors (Volunteers)

ATTACHMENTS

1. 2018 Martin Luther King March Street Closure Application
2. 2018 Martin Luther King March Certificate of Insurance
3. 2018 Martin Luther King March Cal Trans Encroachment Permit Application
4. 2018 Martin Luther King March Map
5. 2018 Martin Luther King March Security Agreement for Merced Theater



STREET CLOSURE APPLICATION REQUIRING CITY COUNCIL APPROVAL (OVER 400 FEET).



\$303.00 FEE (Make check payable to City of Merced)

RECEIPT NO. _____

CHECKLIST:

Prior to submitting your application, please confirm by checking (☒) the boxes below that all the following have been completed.

Yes

Have you completed the "Description of Event" below and signed the application on page 3? (Incomplete information may delay your application.)

Yes

Have you allowed at least 8-10 weeks prior to the event for your application to be placed on a City Council agenda?

pending

Have you obtained the required insurance and do you have proof of that insurance to submit with your application? (See "Insurance" section on page 3 for details)

Has the Indemnification Agreement on page 3 of this application been signed by an authorized representative of the sponsoring organization?

After obtaining approval from the City but prior to the event, please make sure you have done the following:

Yes

Have you read the conditions of approval and is your event prepared to abide by all conditions?

pending

Have you given public notice of the street closure to all the surrounding businesses within ½ mile at least 72 hours prior to the event as required in Condition #2 below? A form is provided at page 6 which can be used to inform the public. A copy of the form should be signed and returned to the Planning Division at least 24 hours before your event affirming that notice has been given per the above requirements. pending

pending

Have you posted "No Parking" at least 24 hours prior to the event as required in Condition #1 below and using the standards outlined on page 5? pending

N/A

Have you arranged for "Special Event" City Refuse Service by calling 385-6800?

N/A

Have you made arrangements for any temporary barricades? (The City does NOT provide the barricades for street closures.) ?

Yes

Have you made arrangements for supplying any necessary electricity to your event? (Plugging outlets into City light poles is NOT allowed unless prior approval is obtained. Please call City Public Works at 385-6800 for additional information.)

N/A

If you are selling alcohol at your event, have you obtained an Alcoholic Beverage Control (ABC) license or permit for this event?

DESCRIPTION OF EVENT:

APPLICANT/EVENT SPONSOR MARTIN LUTHER KING Committee

CONTACT PERSON Tamara Cobb PHONE [REDACTED]

ADDRESS [REDACTED]

DRIVER'S LICENSE NO. [REDACTED] E-MAIL [REDACTED]

DESCRIPTION OF EVENT (Continued):

DESCRIPTION OF EVENT (include equipment, obstructions, etc., to be placed in the encroachment area)

22nd annual Martin Luther King Jr. March
and celebration

THIS EVENT WILL SELL OR SERVE ALCOHOL: Yes _____ or No X

ESTIMATED NUMBER OF PEOPLE IN ATTENDANCE 250 - 750

DATE(S) OF EVENT 1/15/18 HOURS 10-12

LIST ALL STREETS PROPOSED FOR CLOSURE:

8th MLK → 11th MLK → 12th MLK → 13th MLK → 14th MLK → 15th MLK → 16th MLK (MAIN)
17th MLK

(PLEASE ATTACH A MAP TO IDENTIFY PARADE ROUTES, STREET CLOSURES, AND ANY OBSTRUCTIONS TO BE PLACED WITHIN THE RIGHT-OF-WAY)

STANDARD CONDITIONS FOR STREET/PARKING LOT CLOSURES/PARADES

1. ✓ Event Sponsor shall be responsible for placing and removing traffic barricades and posting of parking restrictions. "No Parking" signs shall be posted at least twenty-four (24) hours prior to towing of vehicle(s) per California Vehicle Code Section 22651(m)—see page 5.
2. ✓ Event Sponsor shall contact all businesses affected by the street/parking lot closure or parade advising them of hours, conditions and reason thereof within one-half mile of the encroachment area at least seventy-two (72) hours prior to the event. Event Sponsor shall provide the City confirmation that the proper notification was given. (A form is provided on page 6 to help the applicant with this requirement.)
3. ✓ Event Sponsor must remove all equipment, trash and debris, including "no parking" signs, generated by the event prior to the expiration of the encroachment permit.
4. ✓ Street closures shall not include major arterial streets.
5. ✓ Supervision/security shall be provided by event sponsor to ensure the safety of event participants and the public if required by the Police Department.
6. ✓ Event Sponsor shall pay for any City services required for supervision/security.
7. Alcoholic beverages may be served or sold, subject to Alcoholic Beverage Control Licensing Requirements, and subject to the Liquor Liability Insurance Policy of the City (see page 4).
8. Provisions addressed in Ordinance #1941 Chapter 12.42 (Temporary Street Closures) shall apply.
9. Event Sponsor shall be responsible for insuring that all vendors involved with the event obtain a City of Merced business license.
10. ✓ The applicant shall arrange and pay for special event City Refuse service by contacting Public Works at (209) 385-6800.
11. The applicant shall comply with the Indemnification and Insurance provisions as outlined on page 3 of this application.
12. ✓ Event sponsor shall provide and maintain a minimum 22-foot-wide emergency vehicle access path into and through the closure area at all times via movable barriers. Fire hydrant access shall not be blocked at any time whatsoever.
13. _____
14. _____

(Additional conditions may be imposed as deemed necessary)

INDEMNIFICATION: Event Sponsor shall indemnify, protect, defend, (with counsel selected by the City) save and hold City, its officers, employees, agents, and volunteers harmless from any and all claims or causes of action for death or injury to persons, or damage to property resulting from intentional or negligent acts, errors, or omissions of Event Sponsor or Event Sponsor's officers, employees, agents, volunteers, and participants during performance of the Event, or from any violation of any federal, state, or municipal law or ordinance, to the extent caused, in whole or in part, by the willful misconduct, negligent acts, or omissions of Event Sponsor or its officers, employees, agents, volunteers, or participants, or resulting from the negligence of the City, its officers, employees, agents, and volunteers, except for loss caused solely by the gross negligence of the City. Acceptance by City of insurance certificates and endorsements required for this Event does not relieve Event Sponsor from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply.

INSURANCE: Prior to engaging in the event, Event Sponsor shall complete and file with the City a special events, general liability and automobile policy of at least \$500,000 combined limit for bodily injury and property damage which covers the entire event. Said policy shall stipulate that this insurance will operate as primary insurance and that no other insurance will be called on to cover a loss covered thereunder. Additional insured endorsements evidencing this special events, general liability and automobile coverage, naming the City and its officers, agents, and employees as additional insureds, must be submitted to the City prior to the event. This certificate shall provide that thirty (30) days written notice of cancellation shall be given to the City. 7/6/17 11:13 AM

REFUSAL OR REVOCATION OF PERMIT: Failure to comply with any law, rule or regulation applicable to the use of said streets shall be grounds to revoke any such permit and, in such circumstances, the Chief of Police shall immediately revoke said permit. The Event Sponsor or permit holder, in such case, shall have the right to appeal said revocation to the City Council.

The undersigned declares under penalty of perjury that he/she has the authority to sign for and bind the Event Sponsor to the conditions imposed by the City upon the granting of this Application.

Signature: Tamara Cobb
Print Name: TAMARA COBB
Date: 12/13/17

OFFICE USE

APPLICATION APPROVED SUBJECT TO CONDITIONS _____

BY _____
Development Services Department (385-6858)

DATE _____

BY _____
Merced Police Department (385-6912)

DATE _____

BY _____
Merced Fire Department (385-6891)

DATE _____

LIQUOR LIABILITY INSURANCE -POLICY-

YOU HAVE APPLIED FOR STREET CLOSURE/PARKING LOT CLOSURE AND HAVE INDICATED THAT ALCOHOLIC BEVERAGES WILL EITHER BE SERVED OR SOLD AS PART OF THE FUNCTION OR ACTIVITY BEING CONDUCTED AT THIS EVENT.

THE MERCED CITY COUNCIL HAS ADOPTED ORDINANCE #1941 CHAPTER 12.42 TEMPORARY STREET CLOSURES WHEREAS WHEN ALCOHOLIC BEVERAGES ARE TO BE SERVED OR SOLD, THE GROUP OR INDIVIDUAL SHALL BE REQUIRED TO COMPLY WITH ALL OTHER LAWS RELATING TO THE SALE OF ALCOHOLIC BEVERAGES.

FOR GROUPS SELLING ALCOHOLIC BEVERAGES AT A FUNCTION OR ACTIVITY, WE RECOMMEND THAT YOU CONTACT YOUR INSURANCE CARRIER TO OBTAIN SPECIFIC INFORMATION ON COVERAGE OR CONSIDER CONTRACTING WITH A CATERER WHO ALREADY HAS THE NECESSARY PERMITS, LICENSES, AND INSURANCE COVERAGE.

WHETHER YOU SELL OR SERVE ALCOHOLIC BEVERAGES, IT IS YOUR RESPONSIBILITY OR YOUR GROUP'S RESPONSIBILITY TO COMPLY WITH THE RULES AND REGULATIONS OF THE CALIFORNIA STATE DEPARTMENT OF ALCOHOL BEVERAGE CONTROL WITH REGARD TO OBTAINING THE NECESSARY LICENSES OR PERMITS. SHOULD YOU HAVE ANY QUESTIONS REGARDING THE REQUIREMENT FOR A LICENSE OR PERMIT, YOU SHOULD CONTACT THE CALIFORNIA STATE DEPARTMENT OF ALCOHOL BEVERAGE CONTROL, 31 EAST CHANNEL STREET, ROOM 168, P. O. BOX 150, STOCKTON, CALIFORNIA 95201; TELEPHONE (209) 948-7739.

I CERTIFY THAT I HAVE READ AND REVIEWED THE LIQUOR LIABILITY POLICY OF THE CITY OF MERCED AND WILL COMPLY WITH THESE REQUIREMENTS.

SIGNATURE _____ DATE _____

EVENT DATE _____

LOCATION OF EVENT _____



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

12/13/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Fluetsch and Busby Insurance PO Box 780 Merced, CA 95341 License #: 0358327	CONTACT NAME: Karla Wainwright	
	PHONE (A/C, No, Ext): (209)722-1541 FAX (A/C, No): (209)723-8189	
INSURED Merced County Regional Arts Council, Inc 645 West Main Street Merced, CA 95340	E-MAIL ADDRESS: karla@fandb1912.com	
	INSURER(S) AFFORDING COVERAGE	
	INSURER A: Nova Casualty	
	INSURER B:	
	INSURER C:	
	INSURER D:	
INSURER E:		
INSURER F:		

COVERAGES

CERTIFICATE NUMBER: 00000000-82274

REVISION NUMBER: 7

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	Y		CF1-ML-10001431-00	07/06/2017	07/06/2018	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input type="checkbox"/> N/A					PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Regarding insureds normal business operations. Regarding The Martin Luther King Parade.
City of Merced, its officers, agents and employees and Volunteer's are named as additional insured.

CERTIFICATE HOLDER

CANCELLATION

City of Merced, its officers,
agents and employees and Volunteer's
678 W 18th St
Merced, CA 95340

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

(KDW)



Policy Number
CF1-ML-10001431-00

COMMON POLICY CHANGE ENDORSEMENT

Endorsement No. 001

Nova Casualty Company

Named Insured MERCED COUNTY REGIONAL ARTS

Effective Date: 11-03-17
12:01 A.M., Standard Time

Agent Name CHARITY FIRST INSURANCE SERVICES, INC.

Agent No. 51011

POLICY CHANGES ENDORSEMENT DESCRIPTION (CONT'D)

THE FOLLOWING ADDITIONAL INTEREST (ADDL INSURED) HAS BEEN ADDED TO THE POLICY:

THE CITY OF MERCED
678 W MAIN ST
MERCED CA 95340

THE FOLLOWING FORM(S) HAS BEEN ADDED:
CG 20 26 04-13 ADDL INSD-DESIGNATED PERSON/ORGANIZATION

ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME

REMOVAL PERMIT

If this policy includes the Commercial Property Coverage Part, the following applies with respect to the Coverage Part:

If Covered Property is removed to a new location that is described on this Policy Change, you may extend this insurance to include that Covered Property at each location during the removal. Coverage at each location will apply in the proportion that the value at each location bears to the value of all Covered Property being removed. This permit applies up to 10 days after the effective date of this Policy Change; after that, this insurance does not apply at the previous location.

CW-CHANGEDESC (01/97)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):

THE CITY OF MERCED
678 W. MAIN STREET
MERCED, CA 95340

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

1. In the performance of your ongoing operations; or
2. In connection with your premises owned by or rented to you.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
 2. Available under the applicable Limits of Insurance shown in the Declarations;
- whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

STANDARD ENCROACHMENT PERMIT APPLICATION

TR-0100 (REV. 03/2015)

Please type or print clearly your answers. Complete ALL fields, write "N/A" if not applicable.
This application is not complete until all requirements have been approved.

Permission is requested to encroach on the State Highway right-of-way as follows:

1. COUNTY Merced		2. ROUTE 59	3. POSTMILE 14.78-14.34		FOR CALTRANS USE PERMIT NO. DIST/CO/RTE/PM SIMPLEX STAMP DATE OF SIMPLEX STAMP
4. ADDRESS OR STREET NAME Martin Luther King Jr Way			5. CITY Merced		
6. CROSS STREET (Distance and direction from project site) Hwy 99			7. PORTION OF RIGHT-OF-WAY N/A		
8. WORK TO BE PERFORMED BY <input checked="" type="checkbox"/> OWN FORCES <input type="checkbox"/> CONTRACTOR			9. ESTIMATED START DATE 01-15-18		
10. ESTIMATED COMPLETION DATE 01-15-18					
11. EXCAVATION	MAX. DEPTH N/A	AVG. DEPTH N/A	AVG. WIDTH N/A	LENGTH N/A	SURFACE TYPE N/A
12. ESTIMATED COST WITHIN STATE HIGHWAY RIGHT-OF-WAY				FUNDING SOURCE(S) <input type="checkbox"/> FEDERAL <input type="checkbox"/> STATE <input checked="" type="checkbox"/> LOCAL <input type="checkbox"/> PRIVATE	
13. PIPES	PRODUCT TYPE N/A	DIAMETER N/A	VOLTAGE / PSIG N/A		14. CALTRANS' PROJECT CODE (ID) N/A
15. <input type="checkbox"/> Double Permit Parent Permit Number N/A Applicant's Reference Number / Utility Work Order Number _____					
16. Have your plans been reviewed by another Caltrans branch? <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES (If "YES") Who? _____					
17. Completely describe work to be done within STATE Highway right-of-way:					

Attach 6 complete sets of plans (folded to 8.5" x 11") and any applicable specifications, calculations, maps, etc.

The annual Martin Luther King Jr March will be held on Monday January 15, 2018. The March will start on Martin Luther King Jr Way and West 8th Street in Merced. The March will go north on Martin Luther King Jr Way (Hwy 59) to West Main Street in Merced. The March will start at 10:00 A.M. and end at approximately 11:30 A.M.

18. Is a City, County or other public agency involved in the approval of this project?

☐ YES (If "YES", check type of project AND attach environmental documentation and conditions of approval)

☐ COMMERCIAL DEVELOPMENT ☐ BUILDING ☐ GRADING ☐ OTHER _____

☐ CATEGORICALLY EXEMPT ☐ NEGATIVE DECLARATION ☐ ENVIRONMENTAL IMPACT REPORT ☐ OTHER _____

☒ NO (If "NO", please check the category below which best describes the project AND answer questions A - K on page 2)

☐ DRIVEWAY OR ROAD APPROACH, RECONSTRUCTION, MAINTENANCE OR RESURFACING

☐ FENCE

☐ PUBLIC UTILITY MODIFICATIONS, EXTENSIONS, HOOKUPS

☐ MAILBOX

☐ FLAGS, SIGNS, BANNERS, DECORATIONS, PARADES AND CELEBRATIONS

☐ EROSION CONTROL

☐ OTHER _____

☐ LANDSCAPING

ADA NOTICE: For individuals with sensory disabilities, this document is available in alternate formats. For information, call (916) 445-1233, TTY 711, or write to Records and Forms Management, 1120 N Street, MS-89, Sacramento, CA 95814.

STANDARD ENCROACHMENT PERMIT APPLICATION

TR-0100 (REV. 03/2015)

PERMIT NO. _____

The following questions must be completed when a City, County or other public agency **IS NOT** involved in the approval of this project.

Your answers to these questions will assist Departmental staff in identifying any physical, biological, social or economic resources that may be affected by your proposed project within State Highway right-of-way and to determine which type of environmental studies may be required to approve your application for an encroachment permit.

It is the applicant's responsibility for the production of all required environmental documentation and supporting studies and in some cases this may be costly and time consuming. If possible, attach photographs of the location of the proposed project. Please answer these questions to the best of your ability. Provide a description of any "YES" answers (type, name, number, etc.)

A. Will any existing vegetation and/or landscaping within State Highway right-of-way be disturbed?
no

B. Are there waterways (e.g. river, creek, pond, natural pool or dry streambed) adjacent to or within the limits of the project or State Highway right-of-way?
no

C. Is the proposed project located within five miles of the coast line?
no

D. Will the proposed project generate construction noise levels greater than 86 dBA (e.g. jack-hammering, pile driving)?
no

E. Will the proposed project incorporate land from a public park, recreation area or wildlife refuge open to the public?
no

F. Are there any recreational trails or paths within the limits of the proposed project or State Highway right-of-way?
no

G. Will the proposed project impact any structures, buildings, rail lines or bridges within State Highway right-of-way?
no

H. Will the proposed project impact access to any businesses or residences?
yes

I. Will the proposed project impact any existing public utilities or public services?
no

J. Will the proposed project impact existing pedestrian facilities, such as sidewalks, crosswalks or overcrossings?
yes

K. Will new lighting be constructed within or adjacent to State Highway right-of-way?
no

19. Will this project cause a substantial change in the significance of a historical resource (45 years or older), or cultural resource? ☐ YES ☒ NO
(If "YES", provide a description)

20. Is this project on an existing State Highway or street where the activity involves removal of a scenic resource including a significant tree or stand of trees, a rock outcropping or a historic building? ☐ YES ☒ NO (If "YES", provide a description)

21. Is work being done on the applicant's property? ☐ YES ☒ NO (If "YES", attach 6 complete sets of site and grading plans.)

22. Will the proposed project require the disturbance of soil? ☐ YES ☒ NO
If "YES", estimate the area within State Highway right-of-way in square feet AND acres: _____ (ft²) AND _____ (acres)
estimate the area outside of State Highway right-of-way in square feet AND acres: _____ (ft²) AND _____ (acres)

23. Will the proposed project require dewatering? ☐ YES ☒ NO
If "YES", estimate total gallons AND gallons/month. _____ (gallons) AND _____ (gallons/month)
SOURCE*: ☐ STORM WATER ☐ NON-STORM WATER
(*See Caltrans SWMP for definitions of non-storm water discharge: <http://www.dot.ca.gov/hq/env/stormwater/index.htm>)

24. How will any storm water or ground water be disposed of from within or near the limits of the proposed project?
☐ Storm Drain System ☐ Combined Sewer / Storm System ☐ Storm Water Retention Basin
☒ Other (explain): N/A

STANDARD ENCROACHMENT PERMIT APPLICATION

TR-0100 (REV. 03/2015)

PERMIT NO. _____

PLEASE READ THE FOLLOWING CLAUSES PRIOR TO SIGNING THIS ENCROACHMENT PERMIT APPLICATION.

The applicant, understands and herein agrees that an encroachment permit can be denied, and/or a bond required for non-payment of prior or present encroachment permit fees. Encroachment Permit fees may still be due when an application is withdrawn or denied, and that a denial may be appealed, in accordance with the California Streets and Highways Code, Section 671.5. All work shall be done in accordance with the California Department of Transportation's (Department) rules and regulations subject to inspection and approval.

The applicant, understands and herein agrees to the general provisions, special provisions and conditions of the encroachment permit, and to indemnify and hold harmless the State, its officers, directors, agents, employees and each of them (Indemnitees) from and against any and all claims, demands, causes of action, damages, costs, expenses, actual attorneys' fees, judgments, losses and liabilities of every kind and nature whatsoever (Claims) arising out of or in connection with the issuance and/or use of this encroachment permit and the placement and subsequent operation and maintenance of said encroachment for: 1) bodily injury and/or death to persons including but not limited to the Applicant, the State and its officers, directors, agents and employees, the Indemnities, and the public; and 2) damage to property of anyone. Except as provided by law, the indemnification provisions stated above shall apply regardless of the existence or degree of fault of Indemnities. The Applicant, however, shall not be obligated to indemnify Indemnities for Claims arising from the sole negligence and willful misconduct of State, its officers, directors, agents or employees.

An encroachment permit is not a property right and does not transfer with the property to a new owner.

COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT (ADA) OF 1990: All work within State Highway right-of-way shall be conducted in compliance with all applicable Federal, State and Local Access laws, regulations and guidelines including but not limited to the Americans with Disabilities Act Accessibility Guidelines (ADAAG), the Public Rights-of-Way Guidelines (PROWG), the Department's current Design Information Bulletin 82, "Pedestrian Accessibility Guidelines for Highway Projects", the Department's Encroachment Permits Manual and encroachment permit.

DISCHARGES OF STORM WATER AND NON-STORM WATER: All work within State Highway right-of-way shall be conducted in compliance with all applicable requirements of the National Pollutant Discharge Elimination System (NPDES) permit issued to the Department, to govern the discharge of storm water and non-storm water from its properties. Work shall also be in compliance with all other applicable Federal, State and Local laws and regulations, and with the Department's Encroachment Permits Manual and encroachment permit. Compliance with the Department's NPDES permit requires amongst other things, the preparation and submission of a Storm Water Pollution Protection Plan (SWPPP), or a Water Pollution Control Program (WPCP), and the approval of same by the appropriate reviewing authority prior to the start of any work. Information on the requirements may also be reviewed on the Department's Construction Website at:

<http://www.dot.ca.gov/hq/construc/stormwater>

25. NAME OF APPLICANT OR ORGANIZATION

City of Merced Police Department

ADDRESS OF APPLICANT OR ORGANIZATION WHERE PERMIT IS TO BE MAILED (Include City and Zip Code)

611 W. 22nd Street

E-MAIL ADDRESS

strublej@cityofmerced.org

PHONE NUMBER

209-385-4739

FAX NUMBER

209-388-7875

26. NAME OF AUTHORIZED AGENT / ENGINEER (A "Letter of authorization" is required if different from #25)

Lt. Jacob Struble

IS A LETTER OF AUTHORIZATION ATTACHED?

☐ YES☒ NO

ADDRESS OF AUTHORIZED AGENT / ENGINEER (Include City and Zip Code)

611 W. 22nd Street

E-MAIL ADDRESS

strublej@cityofmerced.org

PHONE NUMBER

209-385-4739

FAX NUMBER

209-288-7875

27. NAME OF BILLING CONTACT (Same as #25 ☐ Same as #26 ☒)

BILLING ADDRESS WHERE INVOICE(S) IS/ARE TO BE MAILED (Include City and Zip Code)

E-MAIL ADDRESS

PHONE NUMBER

FAX NUMBER

28. SIGNATURE OF APPLICANT OR AUTHORIZED AGENT**29. PRINT OR TYPE NAME**

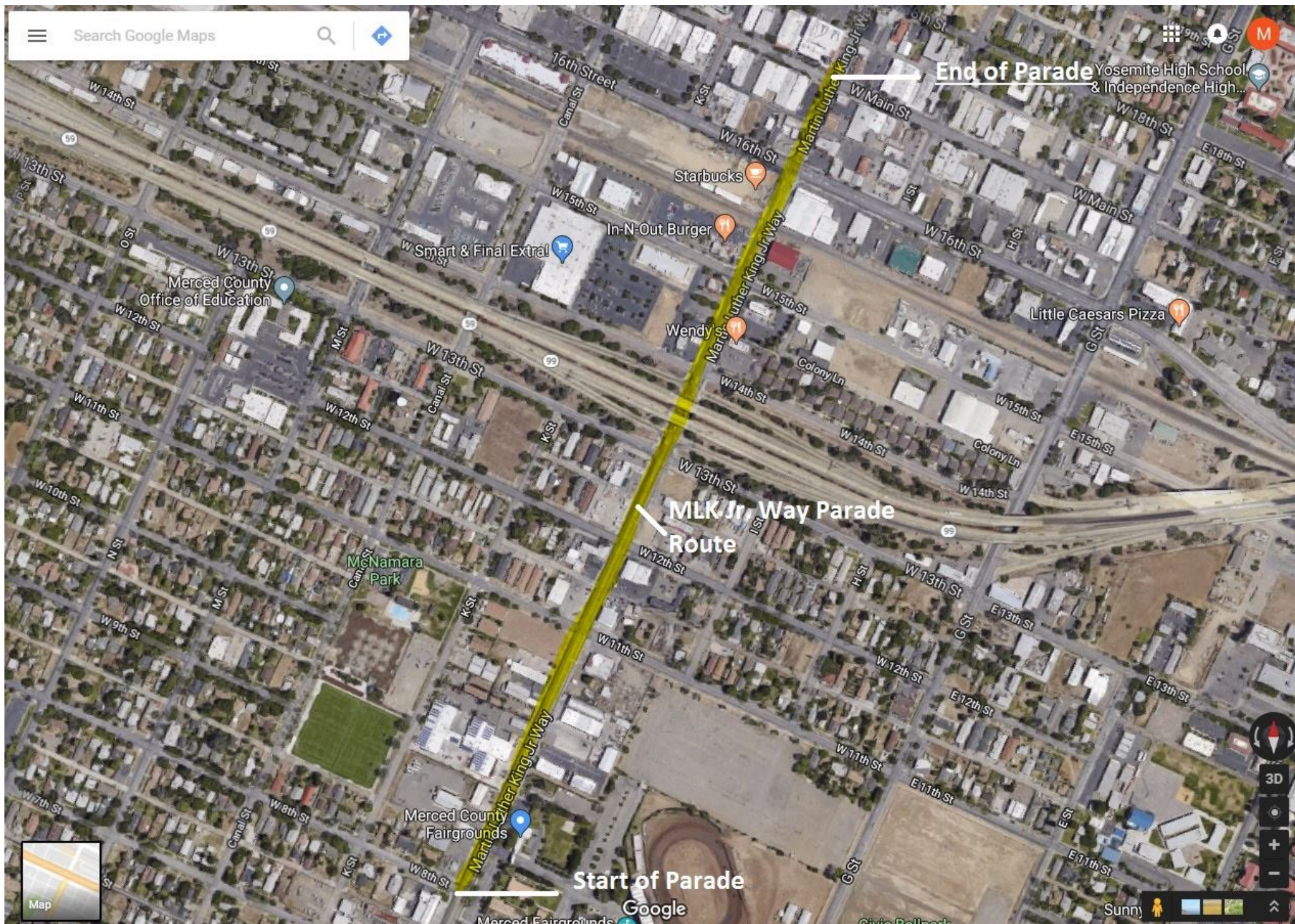
Jacob Struble

30. TITLE

Lieutenant

31. DATE

12-13-17





GUARDCO SECURITY SERVICES, INC.

State License: PPO17378

"Pride • Safety • Service"

SECURITY SERVICE AGREEMENT

This agreement is entered between GUARDCO SECURITY SERVICES, INC. (HEREBY REFERRED TO AS "GSS, INC.") and:

CLIENT NAME: CITY OF MERCED
ATTENTION: TAMARA COBB
ADDRESS: [REDACTED]
CITY, STATE, ZIP: MERCED, CA 95340
PHONE: [REDACTED]

GSS, INC shall provide security officers to the client as scheduled below:

TYPE/ DATE OF SERVICES AND LOCATION

PREMISES SECURITY
MERCED THEATER
THREE OFFICERS FROM 12:00 PM TO 2:00 PM
DATE: 1/15/2018

Security personnel are to observe, report, and to maintain the peace at the property rented, controlled or owned by the CLIENT. In performing the aforementioned services, GSS, INC. shall comply with all applicable City, State, and Federal Laws, Statutes, Regulations and ordinances within the jurisdiction of this agreement. GSS, INC. reserves the right to end the event should it pose a safety risk to our officer(s) and or persons attending the event or as a result to property damage caused due to the event. The CLIENT has determined the amount of SECURITY OFFICERS needed for their event, GSS, INC. shall not be held liable for inadequate coverage as determined by the CLIENT.

For services performed herein, the CLIENT shall pay directly to GSS, INC. an hourly rate of \$29.50. A minimum deposit of at least 50% of your total balance is due in advance (see due date on invoice); the remaining balance is due at the start of your event payable in cash or money order. For all events being held at the Merced County Fairgrounds the entire balance must be paid in full within 30 days prior of your event as per Merced County Fairgrounds policy. No refunds are given due to event(s) being canceled or ending early; deposits(s) and payments(s) are non refundable. This agreement will not become effective until the deposit is fulfilled as per this agreement.

The CLIENT agrees any dispute or claim regarding the invoice or the services must be sent in writing to GSS, INC. within seven (7) days from the invoice date stating the nature of the dispute and all supporting documentation, or it will be deemed waived. A late fee of 2% per month will be charged plus all collection and attorneys fees and costs will be charged for collection of any overdue invoice(s) past their due date. The CLIENT agrees to pay all attorney fees, collection costs, and any court costs for any action or suit brought by GSS, INC. for the recovery of monies due for services rendered.

The CLIENT also agrees that it will not, during the terms of this agreement hire, employ, or solicit the employment of any person that has been or is currently in the employment of GSS, INC. or that has performed services any time in carrying out the terms of this agreement. The CLIENT shall indemnify and hold harmless corporate officers and employees of GSS, INC. from any claims brought as a result of the actions or inactions of its agents or employees. The CLIENT shall also indemnify and hold harmless GSS, INC. for the failure of its employees to perform under this agreement providing that the company has acted in good faith.

The CLIENT agrees to pay the hourly rate of \$30.00 per officer per hour for services extended beyond that which GSS, INC. originally contract for, with a minimum one hour charge. Any extension to our above contracted schedule will require payment to be paid in full before the extension of services will commence.

GSS, INC. shall not be held responsible to perform certain functions that can add unnecessary liability or are not consistent with our purpose. This may include, but not limited to the following circumstances: verifying the identification of all persons which appear to be under the legal drinking/smoking age in conjunction with California law, watching unattended children and monitoring the possible use of any narcotics.

By John Lovett 12/7/17
John Lovett, Office Manager Date

PLEASE SIGN AND RETURN

Agreed and Accepted:
By Tamara Cobb 12/7/17
Authorized Representative Date

PRINTED NAME & TITLE OF PERSON SIGNING CONTRACT

1360 West 18th Street • Merced, California 95340-4402 • (209) 723-4273 • Fax (209) 723-7106



ADMINISTRATIVE REPORT

Agenda Item H.11.

Meeting Date: 1/2/2018

Report Prepared by: Kim Espinosa, Planning Manager, Development Services Department

SUBJECT: First Amendment to Professional Services Agreement with SCI Consulting to Assist with the Preparation of the Cannabis Tax Measure

REPORT IN BRIEF

The City Council will consider approving an amendment to a professional services agreement with SCI Consulting to assist with the preparation of the Cannabis Tax Measure in the amount of \$26,750.

RECOMMENDATION

City Council - Adopt a motion:

- A. Approving the First Amendment to Agreement for Professional Services with SCI Consulting in the amount of \$26,750; and,
- B. Approving a supplemental appropriation from General Fund unreserved fund balance in the amount of \$26,750, transferring to Development Service Fund (017) and appropriating the same to account 017-0804-512-17-00 Professional Services.
- C. Authorizing the City Manager or Assistant City Manager to sign the necessary documents.

ALTERNATIVES

- 1. Approve the agreement as recommended by City staff; or,
- 2. Approve a modified agreement as revised by the City Council; or,
- 3. Deny the request; or,
- 4. Refer back to staff for reconsideration of specific items (specific items to be addressed in City Council motion); or,
- 5. Continue to a future City Council meeting (date and time to be specified in City Council motion).

AUTHORITY

Section 20.44.170(O)(6) of recently-adopted Ordinance No. 2480 calls for the preparation of "Additional cannabis-specific gross receipts, excise, cultivation, or any other tax approved by the voters of the City of Merced."

CITY COUNCIL PRIORITIES

On March 29, 2017, the City Council held a study session on priorities and medical marijuana regulations were listed under "City Administration-Current Projects."

DISCUSSION

Background

On February 21, 2017, the City Council approved a Professional Services Agreement with SCI Consulting in the amount of \$108,290 to prepare the operating regulations and selection process for cannabis dispensaries. On November 20, 2017, the City Council adopted Ordinance No. 2480, prepared by SCI, for Commercial Cannabis Businesses in Merced, which will become effective on January 3, 2018. Section 20.44.170(O)(6) of Ordinance No. 2480 calls for the preparation of "Additional cannabis-specific gross receipts, excise, cultivation, or any other tax approved by the voters of the City of Merced."

Proposed Scope of Work

Staff has prepared a First Amendment to the Professional Services Agreement with SCI Consulting (Attachment 1) to cover additional services related to the Cannabis Tax Measure in the amount of \$26,750. Additional services include: a) development of a comprehensive tax methodology; b) conducting a stakeholder meeting in support of the development of the tax methodology; and, c) preparation of the tax ordinance. Details can be seen at Exhibit 1 of Attachment 1. Staff is recommending approval.

IMPACT ON CITY RESOURCES

An appropriation of \$26,750 is needed from the General Fund to the Development Services Fund in order to pay for the professional services contract. However, SCI Consulting will be assisting with the preparation of a Cannabis Tax Measure that has the potential to raise significant revenue for the City in the future.

ATTACHMENTS

1. 1st Amendment to Professional Services Agreement with SCI Consulting

FIRST AMENDMENT TO AGREEMENT FOR PROFESSIONAL SERVICES

THIS FIRST AMENDMENT TO AGREEMENT is made and entered into this ____ day of _____, 2018, by and between the City of Merced, a California Charter Municipal Corporation (“City”), and SCI Consulting Group, a California Chapter S Corporation, whose address of record is 4745 Mangels Blvd., Fairfield, California 94534, (“Consultant”).

WHEREAS, City is undertaking a project to prepare a tax measure for cannabis; and,

WHEREAS, City and Consultant have previously entered into an Agreement for Professional Services (“Agreement”) dated February 21, 2017; and,

WHEREAS, City and Consultant desire to amend said Agreement to provide for additional services in connection with said project.

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

1. Section 22, “ADDITIONAL WORK,” is hereby added to the Agreement to read as follows:

“SECTION 22. ADDITIONAL WORK. Consultant shall perform the additional work outlined in the proposal from Consultant to City attached hereto as Exhibit “1”.

2. Section 23, “ADDITIONAL COMPENSATION,” is hereby added to the Agreement to read as follows:

“SECTION 23. ADDITIONAL COMPENSATION. City shall pay to Consultant the not to exceed additional sum of Twenty-Six Thousand Seven Hundred Fifty Dollars (\$26,750.00) for the additional work described in the proposal attached hereto as Exhibit “1” and in accordance with the rates set forth on Exhibit “1.”

3. Except as herein amended, the Agreement dated February 21, 2017, shall remain in full force and effect.

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


CITY OF MERCED
A California Charter Municipal
Corporation

BY: _____
City Manager

ATTEST:
STEVE CARRIGAN, CITY CLERK

BY: _____
Assistant/Deputy City Clerk

APPROVED AS TO FORM:

BY:  12-20-2017
City Attorney Date

ACCOUNT DATA:

BY: _____
Verified by Finance Officer

SCI CONSULTING GROUP,
A California Chapter S Corporation

BY: 

(Signature)

JOHN W. BLISS

(Typed Name)

Its: PRESIDENT

(Title)

BY: _____

(Signature)

(Typed Name)

Its: _____

(Title)

Taxpayer I.D. No. 94-2984547

ADDRESS: 4745 Mangels Blvd.
Fairfield, CA 94534

TELEPHONE: (707) 430-4300

FAX: (707) 430-4319

E-MAIL: john.bliss@sci-cg.com

December 20, 2017

Kim Espinosa, Planning Manager
City of Merced Planning & Permitting
678 West 18th Street
Merced, CA 95340

Dear Ms. Espinosa:

SCI Consulting Group ("SCI") is pleased to submit this proposal for cannabis-related consulting services to the City of Merced ("City"). We understand the City is interested in proposing a cannabis-related tax to its voters, and we believe our knowledge and experience will serve the City well. To assist the City of Merced, in the successful implementation of an equitable and efficient cannabis-related tax, we propose the following services. (All project work can be completed in 9 to 12 months.)

1. Development of Tax Methodology
 - 1a. Conduct Stakeholder Meeting in support of Development of Tax Methodology
2. Development of tax ordinance document

SCI provides cannabis-related advice and consulting to a variety of public agencies in California regarding community support analysis, health and safety regulations, fee studies, taxation, implementation, monitoring and compliance, and community outreach. SCI has conducted comprehensive cannabis-related webinars, workshops and training specifically for public officials in California. See www.sci-cg.com/webinars-past.php, and scroll down to watch any of our five cannabis-related webinars. Our two most recent webinars are:

- **THE NEW MARIJUANA FRONTIER IN CALIFORNIA - PREPARING FOR PROPOSITION 64 AND THE MCRSA AND THEIR EFFECT ON CITIES AND COUNTIES**
- **LOCAL CANNABIS REGULATION AND POLICY: UNDERSTANDING STATE INTEGRATION OF MEDICAL AND NON-MEDICAL CANNABIS – SB 94 FOR PUBLIC AGENCIES**

SCI developed and maintains a network of relationships with government agencies and cannabis-related industry leaders, including attorneys, testing laboratories, cultivators, nursery owners, and retailers. SCI maintains these relationships and continually upgrades and expands our knowledge base so we can provide expertise on all elements of the cannabis industry: retail operations, cultivation, manufacturing, delivery, monitoring and compliance, legal issues, ordinance development, and State regulations. SCI staff trained at the nation's premier cannabis educational entity, Oaksterdam University in Oakland, and investigated and gathered lessons learned and best practices regarding cannabis operations in Colorado, Michigan, Oregon, Washington, and British Columbia.

Our new business comes almost entirely from word-of-mouth referrals. We encourage you to contact our clients who can attest to the level of service we provide, the long-term relationships we have developed, the unmatched accuracy of our approach, our successful experience with funding measures, and our industry-leading track record of winning ballot measures.

SCOPE OF WORK

1. Development of Tax Methodology

SCI will work with the City to develop a comprehensive tax methodology consistent with applicable City ordinances, state and federal law, and input from City staff, elected officials and

EXHIBIT 1--Page 1

stakeholders. Our revenue approach is to develop revenue models based upon taxation scenarios consistent with the City's goals, and public support. SCI will analyze the opportunities in each of City's regulated commercial cannabis activities, propose the optimal combinations of taxes based upon factors like gross receipts, per square foot taxes, and weight-based taxes. We will review and discuss our findings and recommendations to develop the best mechanism for providing optimal revenue for the City with a reasonable administrative burden and that is well-supported and understood by the community. We will consider the effect of competition from other jurisdictions and the goal of eliminating the black market.

1a. Conduct Stakeholder Meeting in support of Development of Tax Methodology

SCI will plan and conduct two stakeholder meetings to obtain input in support of the development of the tax methodology.

2. Development of tax ordinance document

SCI will lead the preparation of the tax ordinance for all the City's regulated commercial cannabis activities based upon the finalized tax methodology and consistent with applicable City ordinances, state and federal law, and input from City staff, elected officials and stakeholders. We will use our established matrix of established cannabis ordinance attributes to ensure completeness. We will include the best practices from other similar cannabis taxation ordinances, as well as emerging or anticipated industry changes in the draft of the City's ordinance. Our work will be carefully documented with specific reference to the appropriate code or reason for a change.

PROJECT TEAM

NEIL HALL, CANNABIS PROJECT LEADER

Neil Hall brings over 40 years of intensive interaction with public agencies and communities throughout California. He is a recognized leader in municipal cannabis policy in California. As Owner and President of the Fairfield Research Group from 1995 to 2014, Mr. Hall conducted over 150 focus groups, and attitude and satisfaction surveys for various communities, political candidates, and public agencies in Solano County. Mr. Hall earned a Bachelor of Arts degree in Business Management and M.B.A. from St. Mary's College.

JOHN BLISS, M.ENG., P.E., PRESIDENT

John Bliss, a professional engineer and President of SCI, specializes in special tax consulting, assessment engineering, special and general benefit analysis, crafting legally compliant, robust Engineer's Reports, assessment administration, cost estimating and budgeting, database design and implementation, regulatory compliance, and revenue measure formations. He has 15 years of experience in this field of expertise. Mr. Bliss graduated from Brown University with a Bachelor of Science Degree in Engineering, and holds a Master's Degree in Civil Engineering from The University of California, Berkeley, where he was a Regent's Scholar. He is a licensed professional Civil Engineer in the State of California and is a LEED accredited professional.

ARCELIA HERRERA, SENIOR CONSULTANT

Arcelia Herrera, contributes over eleven years of experience in administration and consulting for public and private sector organization. Ms. Herrera has extensive expertise in the creation and administration of assessments and fees, database management, and community educational outreach. She also can connect with the Hispanic community and has experience with translations of outreach materials and other needed documents. Most recently, Ms. Herrera has participated in a series of webinars and workshops aimed at establishing an industry standard for taxation, health and safety regulations and monitoring and compliance of cannabis in California. Ms. Herrera graduated from the California State University, Monterey Bay with a Bachelor of Science Degree in Telecommunications, Multi-Media and Applied Computing.

EXPERIENCE AND REFERENCES

SCI's most recent similar cannabis-related services were provided to:

City of Alameda

Cannabis Services: Implementation Planning, Community Outreach and Stakeholder Engagement, Ordinance Review and Regulatory Fees
 Status: Ongoing
 Contact: Debbie Potter, Community Development Department Director
dpotter@alamedaca.gov; (510) 747-6800

City of Avalon

Cannabis Services: Implementation Planning and City Council Workshop
 Status: Complete
 Contact: Scott Campbell, Contract Attorney to the City
Scott.campbell@bbklaw.com; (310) 510-2125

City of Coalinga

Cannabis Services: Implementation Planning, Community Outreach and Stakeholder Engagement, Ordinance Review, Regulatory Fees and Monitoring and Compliance
 Status: Complete with ongoing monitoring and compliance
 Contact: Sean Brewer, Community Development Director
sbrewer@coalinga.com; (559) 935-1533, ext. 124

City of Davis

Cannabis Services: Implementation Planning, Stakeholder Engagement and Ordinance Development and Review
 Status: Complete
 Contact: Ashley Feeney, Assistant Director Community Development & Sustainability
afeeney@cityofdavis.org; (530) 757-5654

City of Encinitas

Cannabis Services: Community Outreach and Stakeholder Engagement and Ordinance Development and Review
 Status: Ongoing
 Contact: Glenn Sabine, City Attorney
gsabine@encinitasca.gov; (760) 633-2672

City of La Mesa

Cannabis Services: Ordinance Development and Review and Application Process
 Status: Ongoing
 Contact: Carol Dick, Director of Community Development
cdick@ci.la-mesa.ca.us; (619) 667-1187

City of Merced

Cannabis Services: Implementation Planning, Community Outreach and Stakeholder Engagement, Ordinance Development and Review, Application Process, Fees and Implementation and Regulatory Fees
 Status: Ongoing
 Contact: Kim Espinosa, Planning Manager
espinosak@cityofmerced.org; (209) 385-6858

City of San Carlos

Cannabis Services: Implementation Planning, Community Outreach and Stakeholder Engagement, Ordinance Development and Review, Application Process, Fees and Implementation and Regulatory Fees

Status: Ongoing

Contact: Martin Romo, Economic Development Coordinator
mromo@cityofsancarlos.org; (650) 802-4257

City of Santa Ana

Cannabis Services: Ordinance Development and Review

Status: Ongoing

Contact: Ali Pezeshkpour, Senior Planner
apezeshkpour@santa-ana.org; (714) 647-5882

City of Santa Clara

Cannabis Services: Implementation Planning, Community Outreach and Stakeholder Engagement, Ordinance Development and Review, Application Process, Fees and Implementation and Regulatory Fees

Status: Beginning phase

Contact: Ruth Shikada, Assistant City Manager
RShikada@SantaClaraCA.gov; (408) 615-2210

City of Shasta Lake

Cannabis Services: Implementation Planning, Community Outreach and Stakeholder Engagement, Ordinance Development and Review, Application Process and Fees, Regulatory Fees and Tax Measure

Status: Complete with ongoing monitoring and compliance

Contact: John Duckett, City Manager
jduckett@cityofshastalake.org; (530) 275-7427

City of Vallejo

Cannabis Services: Ordinance Development and Review

Status: Ongoing

Contact: Joanna Altman, Assistant to City Manager
Joanna.altman@cityofvallejo.net; (707) 648-4362

City of Woodlake

Cannabis Services: Ordinance Development and Review, Application Process and Fees, Regulatory Fees and Monitoring and Compliance

Status: Complete with ongoing monitoring and compliance

Contact: Jason Waters, Community Development Director
jwaters@ci.woodlake.ca.us; (559) 564-8055

City of Yreka

Cannabis Services: Implementation Planning, Community Outreach and Stakeholder Engagement, Ordinance Development and Review, Application Process and Fees, Regulatory Fees and Tax Measure

Status: On hold

Contact: Brian Bowles, Police Chief
bbowles@yrekapd.org; (530) 841-2300

County of Alameda

Cannabis Services: Application Process and Regulatory Fees
 Status: Beginning phase
 Contact: Elizabeth McElligott, Assistant Planning Director
Elizabeth.mcelligott@acgov.org; (510) 670-5400

County of San Luis Obispo

Cannabis Services: Implementation Planning, Community Outreach and Stakeholder
 Engagement, Ordinance Development and Review, Application
 Process and Fees
 Status: Ongoing
 Contact: Guy Savage, Assistant County Administrative Officer
gsavage@co.slo.ca.us; (805) 781-5071

County of Tuolumne

Cannabis Services: Implementation Planning, Community Outreach and Stakeholder
 Engagement
 Status: Ongoing
 Contact: Daniel Van Essen, Assistant Planning Director
dvanessen@co.tuolumne.ca.us; (209) 533-5612

Please let us if you would like to speak with any of our clients directly and we will provide contact information.

OTHER INFORMATION**EMPLOYMENT POLICIES**

SCI does not and shall not discriminate against any employee in the work place or against any applicant for such employment or against any other person because of race, religion, sex, color, national origin, handicap, or age or any other arbitrary basis. SCI Consulting Group insures compliance with all civil rights laws and other related statutes.

CONFLICT OF INTEREST STATEMENTS

SCI has no known past, ongoing or potential conflicts of interest for working with the City, performing the Scope of Work or any other service for this Project.

INSURANCE

SCI carries professional Errors and Omissions insurance in the amount of \$2 million per occurrence and \$2 million aggregate. SCI also carries general liability insurance in the amount of \$2 million per occurrence and \$4 million aggregate.

INDEPENDENT CONTRACTOR

If selected, SCI shall perform all services included in this proposal as an independent contractor.

SCOPE OF WORK

In the event the City elects to request optional, additive scope of work, SCI will work with the City to negotiate compensation for these additional tasks, and execute an Addendum to the agreement for these additional services.

RESPONSIBILITIES OF CITY

SCI will make every effort to minimize the workload on the City, but may need assistance, iteratively, with project overview and history, scheduling and budgeting.

COORDINATION WITH CITY

SCI will coordinate services with City staff through frequent and concise communications including face-to-face meetings, telephone calls and e-mail.

SOFTWARE USED

SCI uses Microsoft Word for word processing on computers using the Windows operating system.

FEE SCHEDULE

In consideration for the work accomplished, as outlined in this proposal, SCI shall be compensated as detailed below:

1. Development of Tax Methodology

Services as described in the Scope of Work will be billed at the hourly rates below not to exceed \$7,500 without approval from the City.

1a. Conduct Stakeholder Meeting in support of Development of Tax Methodology

Services as described in the Scope of Work will be billed at the hourly rates below not to exceed \$7,500 without approval from the City.

2. Development of tax ordinance document

Services as described in the Scope of Work will be billed at the hourly rates below not to exceed \$10,000 without approval from the City.

Billing shall be based upon hourly rates shown in the table below:

SCI Staff	Hourly Rates
John Bliss, President, Fee Engineer	\$ 245
Neil Hall, Senior Cannabis Consultant	\$ 275
Arcelia Herrera, Cannabis Consultant	\$ 175
Support Staff	\$ 65

Incidental costs incurred by the SCI Team for the purchase of travel and other out-of-pocket expenses will be reimbursed at actual cost, with the total not to exceed \$1,750 without prior authorization from the City. The scope of services includes two in-person staff meetings. Any additional staff meetings, if required, shall be billed at the rate of \$1,200 per person, per meeting, depending on the staff in attendance.

We look forward to this opportunity in assisting the City of Merced with this important project and stand ready to proceed. If you have any questions or require additional information, please do not hesitate to contact me. I can be reached at (707) 430-4300 or via email at john.bliss@sci-cg.com.

Sincerely,



John W. Bliss, P.E.
President, SCI Consulting Group



ADMINISTRATIVE REPORT

Agenda Item H.12.

Meeting Date: 1/2/2018

Report Prepared by: Stephanie Dietz, Assistant City Manager

SUBJECT: Approve Amendment to Professional Services Agreement to Draft Public Facilities Ballot Measure and Approve Related Budget Transfer

REPORT IN BRIEF

Consider approving an Amendment to the Service Agreement to the Public Opinion Survey contract to continue to draft the Public Facilities Ballot Measure language and approving the necessary budget transfers from the Public Facilities Financing Fees - Police of \$70,500.

RECOMMENDATION

City Council - Adopt a motion:

- A. Approving an Amendment to the Service Agreement to the Public Opinion Survey contract to continue to draft Ballot Measure language, and
- B. Approving transfers from Public Facilities Financing Fees - Police in the amount of \$35,250 from Fund 047, and \$35,250 from Fund 057 to Fund 449 Public Safety CIP, and appropriating the same amount to Project #116040 New Police Headquarters.

ALTERNATIVES

- 1. Approve, as recommended by the Assistant City Manager; or,
- 2. Deny; or,
- 3. Refer back to staff for further study.

AUTHORITY

Charter of the City of Merced, Section 200.

CITY COUNCIL PRIORITIES

Fiscal Year 2017-2018 Budget.

DISCUSSION

On August 7, 2017, the City Council approved the Purchase and Sale Agreement and Lease between McClatchy Newspapers, Inc. and the City of Merced for the Property at 3033 North "G" Street. During the consideration of this agreement, the Council requested that staff provide an update on the status of all Public Facilities within the City. On August 21, 2017, staff provided the Council with an update on the current condition of all City-owned facilities and presented options for construction

financing. During this meeting, direction was provided to staff to take the initial step of conducting an opinion survey to determine if the community would support a ballot initiative that would directly fund the construction of a new Police Headquarters Station, a New Fire Station, the expansion of the Corporation Yard, and the remodeling of 10 bathrooms within City of Merced parks.

At the Council's direction, staff worked quickly to secure professional services to develop and conduct a public opinion survey. The survey was conducted between October 24th and October 29th and the results were posted on the City's website on December 7, 2017. Based on the findings of the survey, it is recommended to amend the Public Opinion Survey professional services contract to enable the City to move forward with drafting ballot language, compiling a support committee and establishing an outreach strategy to meet the necessary November 2018 ballot timeline and to strategically coordinate other ballot efforts. It is requested that the amendment be approved as of December 18, 2017 to allow for compensation for work previously completed related to the coordination of June and November ballot efforts.

A transfer of funds is recommended to support the amendment to the professional services agreement.

IMPACT ON CITY RESOURCES

Funding for these services is available from the Public Facilities Financing Fees - Police in Fund 047 and Fund 057. This report recommends a transfer in the amount of \$35,250 from Fund 047 and \$35,250 from Fund 057 to Fund 449, Public Safety Capital Improvement Projects, and appropriating the same to Project #116040 - New Police HQ, to support the amended professional services agreement to establish a ballot initiative for consideration by the public in November 2018.

ATTACHMENTS

1. Lew Edwards Group Contract
2. Contract Amendment

**AGREEMENT BETWEEN THE CITY OF MERCED AND THE LEW
EDWARDS GROUP TO PROVIDE LEAD PROJECT, EVALUATION,
COMMUNICATIONS AND BALLOT MEASURE PREPARATION
SERVICES**

THIS AGREEMENT is made effective this 15th day of September 2017, by and between the City of Merced, a California Charter Municipal Corporation, (hereinafter referred to as “City”) and the Lew Edwards Group (hereinafter referred to as “LEG”).

WHEREAS, the LEG is an experienced professional firm providing lead project, evaluation, communications and ballot measure preparation services to California cities; and

WHEREAS, the City desires to obtain preparatory, strategic and communications services related to potential ballot financing options to support the construction and enhancement of public facilities within the City of Merced; and

WHEREAS, the LEG has the ability to support the City’s efforts on, and provide coordination with other professionals assigned to this project.

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

1. SCOPE OF SERVICES. Over the life of the project, LEG will provide services that include:

Step One

- a. Project-facilitate a coordinated strategy and timeline
- b. Add strategic value to opinion research efforts
- c. Independently evaluate opinion research and provide Strategic Recommendations, including an assessment of risks/opportunities, project timetable, and election viability/timing

Step Two

- d. Recommend methods to engage constituents, expand community awareness of policy, fiscal/service needs and solicit additional community input on potential funding or policy priorities
- e. Develop word text copy for informational materials
- f. Recommend local media and/or Internet media approaches
- g. Advise City on public responses to constituent inquiries

- h. Confer with City staff on ballot measure preparation and add value to related staff reports

2. **TIME OF PERFORMANCE.** The term of this Agreement shall commence upon mutual execution of Agreement and will be completed by October 31, 2018.

3. **COMPENSATION.** The City agrees to pay to LEG a monthly fee of Five Thousand Dollars (\$5,000) per month as detailed in Exhibit A, attached hereto and incorporated herein by this reference.

4. **RECORDS.** It is understood and agreed that all Final Work Product plans, studies, specifications, data magnetically or otherwise recorded on computer or computer diskettes, record, files, reports, etc., in possession of the LEG relating to the matters covered by the Agreement shall be the property of the City, and LEG hereby agrees to deliver the same to the City upon termination of the Agreement. Consultant's notes and working drafts are specifically excluded from this provision. It is understood and agreed that the documents and other materials, including but not limited to those set forth hereinabove, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily suitable for any future or other use.

5. **CONSULTANT'S BOOKS AND RECORDS.** LEG shall maintain and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to LEG. Any records or documents required to be maintained shall be made available for inspection, audit and/or copying at any time during regular business hours, upon oral or written request of the City.

6. **INDEPENDENT CONTRACTOR.** It is expressly understood that LEG is an independent contractor and that its employees shall not be employees of or have any contractual relations with the City. LEG shall be responsible for the payment of all taxes, workers' compensation insurance and unemployment insurance. Should LEG desire any insurance protection, LEG is to acquire same at its expense.

In the event LEG or any employee, agent, or subcontractor of LEG providing services under this Agreement is determined by a court of competent jurisdiction or

the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an Employee of the City, LEG shall indemnify, protect, defend and hold harmless the City for the payment of any employee and/or employer contribution for PERS benefits on behalf of LEG or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

7. INDEMNITY. LEG shall indemnify, protect, defend (with legal counsel selected by the City), save and hold City, its officers, employees, and agents, harmless from any and all claims or causes of action for death or injury to persons, or damage to property resulting from intentional or negligent acts, errors, or omissions of Consultant or Consultant's officers, employees, volunteers, and agents during performance of this Agreement, or from any violation of any federal, state or municipal law or ordinance, to the extent caused in whole or in part, by the willful misconduct, negligent acts, or omissions of LEG's work, except for loss caused by the sole negligence or willful misconduct of the City or its officers, employees, volunteers or agents. It is understood that the duty of LEG to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve LEG from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall survive the termination of the Agreement and shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, LEG acknowledges and agrees to the provisions of this section and that it is a material element of consideration.

8. INSURANCE. During the term of this Agreement, LEG shall maintain in full force and at its own cost and expense, the following insurance coverage:

- a. Workers' Compensation Insurance. Full workers' compensation insurance shall be provided with a limit of at least One Hundred Thousand Dollars (\$100,000) for any one person and as required by law, including Employer's Liability limits of \$1,000,000.00 per accident. The policy shall be endorsed to waive the insurer's subrogation rights against the City.
- b. Professional Liability Insurance. LEG shall carry professional liability insurance appropriate to LEG's profession in the minimum amount of One Million Dollars (\$1,000,000).

- c. **Qualifications of Insurer.** The insurance shall be provided by an acceptable insurance provider, as determined by City, which satisfies all of the following minimum requirements:
 - a. An insurance carrier admitted to do business in California and maintain an agent for service of process within this State; and
 - b. An insurance carrier with a current A.M. Best rating of A: VII or better (except for workers' compensation provided through the California State Compensation Fund).
- d. **Certificate of Insurance.** LEG shall compete and file with the City prior to engaging in any operation or activity set forth in this Agreement, certificates of insurance evidencing coverage as set forth above and which shall provide that no cancellation or expiration by the insurance company will be made during the term of this Agreement, without thirty (30) days written notice to City prior to the effective date of such cancellation – including cancellation for nonpayment of premium.
- e. Notwithstanding any language in the Agreement to the contrary, LEG shall be entitled to be paid pursuant to the terms of this Agreement until LEG has obtained the insurance required by this Section 10 and provided documentation of said insurance to the City. In addition to any other remedies City may have, City reserves the right to withhold payment if LEG's insurance policies are not current.

9. **ASSIGNABILITY OF AGREEMENT.** It is understood and agreed that this Agreement contemplates personal performance by FM3 and is based upon a determination of its unique personal competence and experience and upon its specialized personal knowledge. Assignments of any or all rights, duties or obligations of LEG under this Agreement will be permitted only with the express written consent of the City.

10. **TERMINATION FOR CONVENIENCE OF CITY.** Either party may terminate this Agreement any time by mailing a notice in writing to the other that the Agreement is terminated. Said Agreement shall then be deemed terminated, and no further work shall be performed by LEG. If the Agreement is so terminated, the Consultant shall be paid for that percentage of the phase of work actually completed, based on a pro rata portion of the compensation for said phase satisfactory completed at the time the notice of termination is received.

11. CONFORMANCE TO APPLICABLE LAWS. LEG shall comply with its standard of care regarding all applicable Federal, State, and municipal laws, rules and ordinances. No discrimination shall be made by LEG in the employment of persons to work under this contract because of race, color national origin, ancestry, disability, sex or religion of such person.

LEG hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act (8 U.S.C.A. 1101 et seq.), as amended; and in connection therewith, shall not employ unauthorized aliens as defined therein. Should LEG so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement, and should any agency or instrumentality of the federal or state government, including the courts, impose sanctions against the City for such use of unauthorized aliens, LEG hereby agrees to, and shall, reimburse City for the cost of all such sanctions imposed, together with any and all costs, including attorneys' fees, incurred by the City in connection therewith.

12. WAIVER. In the event that either the City or LEG shall at any time or times waive any breach of this Agreement by the other, such waiver shall not constitute a waiver of any other or succeeding breach of this Agreement, whether of the same or any other covenant, condition or obligation. Waiver shall not be deemed effective until and unless signed by the waiving party.

13. ON CONSISTENT OR CONFLICTING TERMS IN AGREEMENT AND EXHIBITS. In the event of any contradiction or inconsistency between any attached document(s) or exhibit(s) incorporated by reference herein and the provisions of the Agreement itself, the terms of the Agreement shall control.

Any exhibit that is attached and incorporated by reference shall be limited to the purposes for which it is attached, as specified in this Agreement. Any contractual terms or conditions contained in such exhibit imposing additional obligations on the City are not binding upon the City unless specifically agreed to in writing, and initialed by the authorized City representative, as to each additional contractual term or condition.

14. AMBIGUITIES. This Agreement has been negotiated at arms' length between persons knowledgeable in the matters dealt with herein. Accordingly, and rule of law, including, but not limited to, Section 1654 of the Civil Code of California, or any other statutes, legal decisions, or common-law principles of similar effect, that would require interpretation of any ambiguities in this Agreement against

the party that drafted this Agreement is of no application and is hereby expressly waived.

15. VENUE. This Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this Agreement shall be held exclusively in a state court in the County of Merced.

16. AMENDMENT. This Agreement shall not be amended, modified, or otherwise changed unless in writing and signed by both parties.

17. INTEGRATION. This Agreement constitutes the entire understanding and agreement of the parties and supersedes all previous and/or contemporaneous understanding or agreement between the parties with respect to all or any part of the subject matter hereof.

18. AUTHORITY TO EXECUTE. The person or persons executing this Agreement on behalf of the parties hereto warrants and represents that he/she/they has/have the authority to execute this Agreement on behalf of their entity and has/have the authority to bind their party to the performance of its obligation hereunder.

19. COUNTERPARTS. This Agreement may be executed in one or more counterparts with each counterpart being deemed an original. No counterpart shall be deemed to be an original or presumed delivery unless and until the counterparts executed by the other parties hereto are in the physical possession of the party or parties seeking enforcement thereof.

20. All notices, requests, demands or other communications under the Agreement shall be in writing. Notice shall be sufficiently given for all purposes as follows:

- a. First Class Mail. When mailed first class to the last address of the recipient known to the Party giving notice, notice is effective three mail delivery days after deposit in a United States Postal Service office of mailbox.
- b. Certified Mail. When mailed certified mail, return receipt requested, notice is effective upon receipt if delivery is confirmed by a return receipt.

- c. Overnight Delivery. When delivered by an overnight delivery service, charges prepaid or charged to the sender's account, notice is effective on delivery, if delivery is confirmed by the delivery service.

Any correctly addressed notice that is refused, unclaimed or undeliverable because of an act or omission of the party to be notified shall be deemed effective as of the first date that the notice was refused, unclaimed or deemed undeliverable by the postal authorities, messengers or overnight delivery service.

Mailing and contact information for notice to the Parties of this Agreement at the time of endorsement of this Agreement is as follows:

City of Merced

678 W. 18th Street
Merced, CA 95340
(209) 385-6834

Attn: Steve Carrigan, City Manager

The Lew Edwards Group

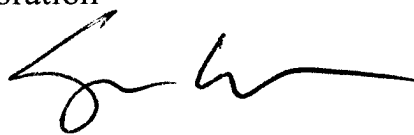
5454 Broadway
Oakland, CA 94618
(510) 594-0224

Attn: Lloyd Edwards, Secretary-Treasurer

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

ATTEST:

STEVE CARRIGAN, CITY CLERK

BY: [Signature]
Assistant/Deputy City Clerk



APPROVED AS TO FORM:

BY: [Signature] 9-21-17
City Attorney Date

300424 PO# 128504
ACCOUNT DATA:

BY: [Signature]
Verified by Finance Officer

✓ # 17888
Funds available 10/19/17 pkp
449-1001-627.65-00 116040
12,500.00 FL 10/20/17

THE LEW EDWARDS GROUP

By:

[Signature]
Lloyd A. Edwards, Secretary-Treasurer

Date: _____, 2017

Exhibit A:
Compensation for Step One Services

Consultant's contract for professional services for Step One services shall not exceed Twelve Thousand, Five Hundred Dollars (\$12,500) payable as follows:

- On September 2017, Two Thousand, Five Hundred Dollars (\$2,500); and
- Two payments of Five Thousand Dollars (\$5,000) per payment due and payable on October 31st and November 30th, 2017.

The parties may choose to extend this Agreement beyond November 30th for Step Two services. If so, such additional work shall be authorized by the City Council and additional fees shall apply.

**FIRST AMENDMENT TO THE AGREEMENT DATED _____ 2017,
BETWEEN THE CITY OF MERCED AND THE LEW EDWARDS GROUP
TO PROVIDE LEAD PROJECT, COMMUNICATIONS AND POTENTIAL
MEASURE PREPARATION SERVICE/S**

THIS FIRST AMENDMENT TO THE AGREEMENT ("First Amendment") dated _____, 2017, is made effective this _____ day of December 2017, by and between the City of Merced, a California Charter Municipal Corporation, (hereinafter referred to as "City") and the Lew Edwards Group (hereinafter referred to as "LEG").

WHEREAS, the LEG is a highly experienced professional firm providing lead project, communications and ballot measure preparation services to California cities; and

WHEREAS, since September 2017, LEG has previously provided comprehensive project management and assessment services to the City to support opinion research needs related to identifying public safety priorities of the public; and

WHEREAS, the City desires to continue to receive preparatory and communications services related the City of Merced's ongoing effort to achieve financial stability, secure local funding sources that can't be taken by the State, and maintain or enhance service delivery to its residents; and

WHEREAS, the LEG has the continued ability to support the City's efforts on, and provide coordination with other professionals assigned to this project.

NOW, THEREFORE, for valuable consideration, the parties agree as follows:

1. Effective Date of First Amendment. This First Amendment shall become effective upon execution of it by City and LEG (the "Effective Date").
2. Term. The term of this First Amendment shall commence upon mutual execution of it and will be completed by October 31, 2018.
3. Effect of First Amendment. Except to the extent modified by the terms of this First Amendment, the terms of this First Amendment shall remain unchanged and in full force and effect. In the event of a conflict between the terms

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

BY: _____
City Manager

BY: _____
Assistant/Deputy City Clerk

BY: William J. Turner 12/12/17
City Attorney Date

BY: _____
Verified by Finance Officer


Lloyd A. Edwards, Secretary-Treasurer

2
160

Exhibit A:
Compensation for Step Two Services

Agreement for Step Two services shall not exceed Seventy Thousand, Five Hundred Dollars (\$70,500), as follows:

Professional Services

Consultant's contract for professional Step Two services shall not exceed Fifty-Five Thousand Dollars (\$55,000) payable in eleven (11) payments of Five Thousand Dollars (\$5,000) per payment due and payable on December 31st, 2017, with the last payment on October 31st, 2018.

Graphic Design/Mailing Data Costs

- Graphic design for up to five (5) mailings, Not to Exceed Fourteen Thousand, Five Hundred (\$14,500) upon invoice by Consultant.
- Mailing data Not to Exceed One Thousand Dollars (\$1,000) upon invoice by Consultant.

These fees and costs do not include other hard project costs such as additional public opinion research, printing, bulk postage, or mail house processing, which will be budgeted for separately by the City.



ADMINISTRATIVE REPORT

Agenda Item H.13.

Meeting Date: 1/2/2018

Report Prepared by: Stephanie Dietz, Assistant City Manager and Frank Quintero, Director of Economic Development.

SUBJECT: Supplemental Appropriation to the Economic Development Opportunity Fund (074) for Consultant Services Relative to the High Speed Rail Heavy Maintenance Facility

REPORT IN BRIEF

Requesting a supplemental appropriation in the amount of \$140,000 from the Economic Development Fund (074) to facilitate consultant services pertaining to the High Speed Rail Heavy Maintenance Facility.

RECOMMENDATION:

City Council - Adopt a Motion:

- A. Approving a supplemental appropriation in the amount of \$140,000 from the unreserved fund balance in Fund 074 Economic Development Opportunity Fund; and,
- B. Approving the Professional Services Agreement with California Strategies and Advocacy, LLC, in the amount of \$120,000.00; and,
- C. Approving the Professional Services Agreement with Chabin Concepts, Inc. in the amount of \$15,000.00; and,
- D. Approving a contingency of \$5,000.00 for travel, meetings, technical support, etc.; and,
- E. Authorizing the City Manager or Assistant City Manager to execute the necessary documents.

ALTERNATIVES

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

AUTHORITY

Charter of the City of Merced, Section 200

CITY COUNCIL PRIORITIES

City of Merced FY 17-18 Budget, Section 7 - Economic Development, Objective #6, "Coordinate with High Speed Rail, ACE Train, and other projects that may serve as economic engines in Downtown Merced."

DISCUSSION

The City of Merced staff desires to enter into Professional Service Agreements with California Strategies and Advocacy, LLC, in the amount of \$120,000.00 and Chabin Concepts, Inc., in the amount of \$15,000.00 in an effort to attract the High Speed Rail Authority's Phase 1 Heavy Maintenance Facility to the City (Attachments 1 & 2).

In 2010, the City of Merced, County of Merced, and Greater Merced High Speed Rail Committee submitted two proposals to the California High Speed Rail Authority to site the coveted Heavy Maintenance Facility at either Castle Commerce and Aviation Center or on the southwest side of Mission Avenue and Highway 99. The Authority received 13 proposals from communities stretching from Merced County to Kern County seeking to secure the Heavy Maintenance Facility along with its 1,500 well-paying jobs and supporting industries.

The Authority did not select a final site for the Heavy Maintenance Facility. However, the High Speed Rail Authority Board chose Germany-based DB Engineering & Consulting USA, Inc., as its early operator at its meeting in November 2017. One of the tasks assigned to DB Engineering & Consulting is helping the High Speed Rail Authority evaluate sites for the Heavy Maintenance Facility.

The City Manager's Office and Economic Development Department believe the timing is right to hire consultants to lobby and advocate for the City to the High Speed Rail Authority for the Heavy Maintenance Facility, and update and rewrite the previously submitted proposal for the Mission Avenue/Highway 99 site.

The Consultants: Staff is recommending the City Council approve a supplemental appropriation in the amount of \$135,000.00 from the Economic Development Opportunity Fund (Fund 074) for the lobbying and advocacy and proposal rewriting services, along with a contingency fund of \$5,000.00 for incidentals such as travel, meetings, and technical support.

California Strategies and Advocacy: (Phase I) Staff would rely on California Strategies and Advocacy to provide insight on all aspects of the High Speed Rail Authority including its senior staff and management, board members, development of the 2018 Business Plan, and policy and political developments. The consultant would also review past High Speed Rail history and actions leading to decisions influencing the future location of the Heavy Maintenance Facility. Documents and materials prepared for High Speed Rail consideration would be reviewed by California Strategies and Advocacy prior to submittal.

(Phase II) California Strategies and Advocacy would develop a public affairs plan which will consider project messaging, stakeholders, decision makers, timeline, and outreach. The consultant plans working with other interest groups and organizations to support Merced's project, and introduce key legislators and industry leaders to Merced's High Speed Rail team.

Chabin Concepts: Along with their partner DSG Associates, Chabin Concepts would be responsible

for modifying the previous Heavy Maintenance Facility proposal submitted for the Mission Avenue and Highway 99 site. Besides collecting new information from staff and incorporating the information into a document, Chabin Concepts would approach the project similar to conducting a site selection analysis. The analysis includes comparing what Merced is submitting to the criteria established by the High Speed Rail Authority.

At this time, the Chabin Concepts proposal does not call for travel or the development of special maps, illustrations, or technical support. However, in the event that Chabin Concepts is called upon for technical support or to attend meetings, staff feels it is beneficial to set-a-side \$5,000.00 in contingency for Chabin Concepts.

IMPACT ON CITY RESOURCES

Given the employment gain the Heavy Maintenance Facility offers, staff recommends appropriating \$140,000 from Fund 074 (Economic Development Opportunity Fund,) unreserved fund balance for consultant services relative the High Speed Rail Heavy Maintenance Facility and contingencies.

ATTACHMENTS

1. Professional Services Agreement - California Strategies and Advocacy, LLC.
2. Professional Services Agreement - Chabin Concepts, Inc.

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT is made and entered into this ____ day of _____, 2018, by and between the City of Merced, a California Charter Municipal Corporation, whose address of record is 678 West 18th Street, Merced, California 95340, (hereinafter referred to as "City") and California Strategies & Advocacy, LLC, a California Limited Liability Company, whose address of record is 980 9th Street, Suite 2000, Sacramento, California 95814 (hereinafter referred to as "Consultant").

WHEREAS, City is undertaking a project to prepare a proposal to submit to the California High Speed Rail Authority for the Heavy Maintenance Facility; and,

WHEREAS, Consultant represents that it possesses the professional skills to provide the services in connection with said project.

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

1. **SCOPE OF SERVICES.** The Consultant shall furnish the following services: Consultant shall provide the services described in Exhibit "A" attached hereto.

No additional services shall be performed by Consultant unless approved in advance in writing by the City, stating the dollar value of the services, the method of payment, and any adjustment in contract time. All such services are to be coordinated with City and the results of the work shall be monitored by the City Manager or his designee. However, the means by which the work is accomplished shall be the sole responsibility of the Consultant.

2. **TIME OF PERFORMANCE.** All of the work outlined in the Scope of Services shall be completed in accordance with the Schedule outlined in Exhibit "A" attached hereto and incorporated herein by reference. By mutual agreement and written addendum to this Agreement, the City and the Consultant may change the requirements in said Schedule.

3. **TERM.** The term of the Agreement shall be six (6) months, commencing on January 1, 2018 and ending on June 30, 2018.

4. **COMPENSATION.** Payment by the City to the Consultant for actual services rendered under this Agreement shall be made upon presentation of an invoice detailing services performed under the Scope of Services that is attached hereto as Exhibit "A". The Consultant agrees to provide all services required under the Scope of Services in Exhibit "A" within the compensation amount set forth below. For Consultant's services rendered under this Agreement, City shall pay Consultant the sum of Twenty Thousand Dollars (\$20,000.00) per month for the not to exceed sum of One Hundred Twenty Thousand Dollars (\$120,000.00).

5. **METHOD OF PAYMENT.** Compensation to Consultant shall be paid by the City after submission by Consultant of an invoice delineating the services performed.

6. **RECORDS.** It is understood and agreed that all plans, studies, specifications, data magnetically or otherwise recorded on computer or computer diskettes, records, files, reports, etc., in possession of the Consultant relating to the matters covered by this Agreement shall be the property of the City, and Consultant hereby agrees to deliver the same to the City upon termination of the Agreement. It is understood and agreed that the documents and other materials including but not limited to those set forth hereinabove, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily suitable for any future or other use.

7. **CONSULTANT'S BOOKS AND RECORDS.** Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement. Any records or documents required to be maintained shall be made available for inspection, audit and/or copying at any time during regular business hours, upon oral or written request of the City.

8. **INDEPENDENT CONTRACTOR.** It is expressly understood that Consultant is an independent contractor and that its employees shall not be employees of or have any contractual relationship with the City. Consultant shall be responsible for the payment of all taxes, workers' compensation insurance and unemployment insurance. Should Consultant desire any insurance protection, the Consultant is to acquire same at its expense.

In the event Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the City, Consultant shall indemnify, protect, defend, and hold harmless the City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

9. INDEMNITY. Consultant shall indemnify, protect, defend (with legal counsel selected by the City), save and hold City, its officers, employees, and agents, harmless from any and all claims or causes of action for death or injury to persons, or damage to property resulting from intentional or negligent acts, errors, or omissions of Consultant or Consultant's officers, employees, volunteers, and agents during performance of this Agreement, or from any violation of any federal, state, or municipal law or ordinance, to the extent caused, in whole or in part, by the willful misconduct, negligent acts, or omissions of Consultant or its employees, subcontractors, or agents, or by the quality or character of Consultant's work. It is understood that the duty of Consultant to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall survive the termination of this Agreement and shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.

10. INSURANCE. During the term of this Agreement, Consultant shall maintain in full force and effect at its own cost and expense, the following insurance coverage:

a. Workers' Compensation Insurance. Full workers' compensation insurance shall be provided with a limit of at least One Hundred Thousand Dollars (\$100,000) for any one person and as required by law, including Employer's Liability limits of \$1,000,000.00 per accident. The policy shall be endorsed to waive the insurer's subrogation rights against the City.

b. General Liability.

- (i) Consultant shall obtain and keep in full force and effect general liability coverage at least as broad as ISO commercial general liability coverage occurrence Form CG 0001.
- (ii) Consultant shall maintain limits of no less than One Million Dollars (\$1,000,000) per occurrence for bodily injury, personal injury and property damage.
- (iii) The City, its officers, employees, volunteers and agents are to be named as additional insureds under the policy, as respects liability arising out of work or operations performed by or on behalf of the Consultant.
- (iv) The policy shall stipulate that this insurance will operate as primary insurance for work performed by Consultant and its sub-contractors, and that any other insurance or self insurance maintained by City or other named insureds shall be excess and non-contributory.
- (v) Consultant shall maintain its commercial general liability coverage for three (3) years after completion of the work and shall add an additional insured endorsement form acceptable to the City naming the City of Merced, its officers, employees, agents and volunteers for each year thereafter for at least three (3) years after completion of the work. Copies of the annual renewal and additional insured endorsement form shall be sent to the City within thirty (30) days of the annual renewal.

c. Automobile Insurance.

- (i) Consultant shall obtain and keep in full force and effect an automobile policy of at least One Million Dollars (\$1,000,000) per accident for bodily injury and property damage.
- (ii) The City, its officers, employees, volunteers and agents are to be named as additional insureds under the policy, as respects automobiles owned, leased, hired or borrowed by the Consultant.

- (iii) The policy shall stipulate that this insurance will operate as primary insurance for work performed by Consultant and its sub-contractors, and that any other insurance or self insurance maintained by City or other named insureds shall be excess and non-contributory.

d. Professional Liability Insurance. Consultant shall carry professional liability insurance appropriate to Consultant's profession in the minimum amount of One Million Dollars (\$1,000,000). Architects and engineers' coverage is to be endorsed to include contractual liability.

e. Qualifications of Insurer. The insurance shall be provided by an acceptable insurance provider, as determined by City, which satisfies all of the following minimum requirements:

- (i) An insurance carrier admitted to do business in California and maintaining an agent for service of process within this State; and,
- (ii) An insurance carrier with a current A.M. Best Rating of A:VII or better (except for workers' compensation provided through the California State Compensation Fund).

f. Certificate of Insurance. Consultant shall complete and file with the City prior to engaging in any operation or activity set forth in this Agreement, certificates of insurance evidencing coverage as set forth above and which shall provide that no cancellation or expiration by the insurance company will be made during the term of this Agreement, without thirty (30) days written notice to City prior to the effective date of such cancellation—including cancellation for nonpayment of premium.

g. Notwithstanding any language in this Agreement to the contrary, Consultant shall be entitled to be paid pursuant to the terms of this Agreement until Consultant has obtained the insurance required by this Section 10 and provided documentation of said insurance to the City. In addition to any other remedies City may have, City reserves the right to withhold payment if Consultant's insurance policies are not current.

11. ASSIGNABILITY OF AGREEMENT. It is understood and agreed that this Agreement contemplates personal performance by the Consultant and is

based upon a determination of its unique personal competence and experience and upon its specialized personal knowledge. Assignments of any or all rights, duties or obligations of the Consultant under this Agreement will be permitted only with the express written consent of the City.

12. **TERMINATION FOR CONVENIENCE OF CITY.** The City may terminate this Agreement any time by mailing a notice in writing to Consultant that the Agreement is terminated. Said Agreement shall then be deemed terminated, and no further work shall be performed by Consultant. If the Agreement is so terminated, the Consultant shall be paid for that percentage of the phase of work actually completed, based on a pro rata portion of the compensation for said phase satisfactorily completed at the time the notice of termination is received.

13. **CONFORMANCE TO APPLICABLE LAWS.** Consultant shall comply with its standard of care regarding all applicable Federal, State, and municipal laws, rules and ordinances. No discrimination shall be made by Consultant in the employment of persons to work under this contract because of race, color, national origin, ancestry, disability, sex or religion of such person.

Consultant hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act (8 U.S.C.A. 1101 *et seq.*), as amended; and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Consultant so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement, and should any agency or instrumentality of the federal or state government, including the courts, impose sanctions against the City for such use of unauthorized aliens, Consultant hereby agrees to, and shall, reimburse City for the cost of all such sanctions imposed, together with any and all costs, including attorneys' fees, incurred by the City in connection therewith.

14. **WAIVER.** In the event that either City or Consultant shall at any time or times waive any breach of this Agreement by the other, such waiver shall not constitute a waiver of any other or succeeding breach of this Agreement, whether of the same or any other covenant, condition or obligation. Waiver shall not be deemed effective until and unless signed by the waiving party.

15. **INCONSISTENT OR CONFLICTING TERMS IN AGREEMENT AND EXHIBITS.** In the event of any contradiction or inconsistency between any attached document(s) or exhibit(s) incorporated by reference herein and the provisions of the Agreement itself, the terms of the Agreement shall control.

Any exhibit that is attached and incorporated by reference shall be limited to the purposes for which it is attached, as specified in this Agreement. Any contractual terms or conditions contained in such exhibit imposing additional obligations on the City are not binding upon the City unless specifically agreed to in writing, and initialed by the authorized City representative, as to each additional contractual term or condition.

16. **AMBIGUITIES.** This Agreement has been negotiated at arms' length between persons knowledgeable in the matters dealt with herein. Accordingly, any rule of law, including, but not limited to, Section 1654 of the Civil Code of California, or any other statutes, legal decisions, or common-law principles of similar effect, that would require interpretation of any ambiguities in this Agreement against the party that drafted this Agreement is of no application and is hereby expressly waived.

17. **VENUE.** This Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this agreement shall be held exclusively in a state court in the County of Merced.

18. **AMENDMENT.** This Agreement shall not be amended, modified, or otherwise changed unless in writing and signed by both parties hereto.

19. **INTEGRATION.** This Agreement constitutes the entire understanding and agreement of the parties and supersedes all previous and/or contemporaneous understanding or agreement between the parties with respect to all or any part of the subject matter hereof.

20. **AUTHORITY TO EXECUTE.** The person or persons executing this Agreement on behalf of the parties hereto warrants and represents that he/she/they has/have the authority to execute this Agreement on behalf of their entity and has/have the authority to bind their party to the performance of its obligations hereunder.

21. **COUNTERPARTS.** This Agreement may be executed in one or more counterparts with each counterpart being deemed an original. No counterpart shall be deemed to be an original or presumed delivered unless and until the counterparts executed by the other parties hereto are in the physical possession of the party or parties seeking enforcement thereof.

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

ATTEST:
STEVE CARRIGAN, CITY CLERK

BY: _____
Assistant/Deputy City Clerk

APPROVED AS TO FORM:

BY: Kelly J. Turner 12/27/17
City Attorney Date

ACCOUNT DATA:

BY: _____
Verified by Finance Officer

CONSULTANT
CALIFORNIA STRATEGIES &
ADVOCACY, LLC,
A California Limited Liability Company

BY: James E. Burton
(Signature)

JAMES E. BURTON
(Typed Name)

Its: MANAGING PARTNER
(Title)

BY: _____
(Signature)

(Typed Name)

Its: _____
(Title)

Taxpayer I.D. No. 87-0734429

ADDRESS: 980 9th Street, Suite 2000
Sacramento, CA 95814

TELEPHONE: 916-266-4575

FAX: 916-266-4580

E-MAIL: jbarton@calstrat.com

City of Merced: California High Speed Rail Opportunity

The City of Merced has the opportunity to compete and be selected to site the Heavy Maintenance Facility for the California High Speed Rail Heavy Maintenance Facility. Winning will require Merced to have a thorough understanding and insight into the California High Speed Rail Authority (CHSRA) to develop a compelling proposal which a) meets and exceeds the technical and service needs of the rail project, b) has features reflective of the public policy goals and political considerations of the California High Speed Rail Authority (CAHSRA), and c) supported by an organized public affairs program aimed at a broad range of decision makers and political constituencies.

Scope of Work

California Strategies would be pleased to work with the City of Merced on this project. Our collaborative work would be undertaken in the following manner:

PHASE I

January 1 – March 31

- Provide insight into all aspects of the CHSRA including; Leadership and management, development of 2018 Business Plan, and public policy and political developments
- Understand CHSRA Heavy Maintenance Facility timeline for proposals and selection
- Monitor and engage, when appropriate, the CHSRA to ensure level playing field for all.
- Review the past documents and reports prepared by the CHSRA inviting Proposals for the Heavy Maintenance Facility.
- Understand current CHSRA expectations and needs of Heavy Maintenance Facility
- Understand the Merced Heavy Maintenance Facility concept
- Review the field of competition
- Work with Merced High Speed Rail team to develop compelling concept paper for decision makers
- Review documents prepared by the City for submission to the CHSRA relative to the Heavy Maintenance Facility.
- Provide support to Merced team with the city's early outreach to civic and state leaders

PHASE II

April 1 – June 30

- Continue providing CHSRA insight and CHSRA support to Merced High Speed Rail Team
- Continue to provide project develop support to Merced High Speed Rail Team
- Develop public affairs plan which will consider project messaging, stakeholders, decisionmakers, timeline and outreach. (February)
- Identify and arrange meetings and conferences with key legislators, industry leaders and staff to further the City HSR Team and its projects
- Work with lobbyists of other interest groups and organizations to obtain support for the City HSR Team and its projects
- Provide direct lobbying of the CHSRA and administrative staff
- Provide direct lobbying of the Governor's office and administration
- Track and notify the City of proposed legislation effecting the Heavy Maintenance Facility or CHSRA Project.
- Assist the City with its strategy when visiting the German High Speed Rail Early Operator.

EXHIBIT A

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT is made and entered into this ____ day of _____, 2018, by and between the City of Merced, a California Charter Municipal Corporation, whose address of record is 678 West 18th Street, Merced, California 95340, (hereinafter referred to as "City") and Chabin Concepts, Inc., a California Corporation, whose address of record is 2515 Ceanothus Avenue, Suite 100, Chico, California 95973 (hereinafter referred to as "Consultant").

WHEREAS, City is undertaking a project to prepare a proposal to submit to the California High Speed Rail Authority for the Heavy Maintenance Facility; and,

WHEREAS, Consultant represents that it possesses the professional skills to provide the services in connection with said project.

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

1. SCOPE OF SERVICES. The Consultant shall furnish the following services: Consultant shall provide the services described in Exhibit "A" attached hereto.

No additional services shall be performed by Consultant unless approved in advance in writing by the City, stating the dollar value of the services, the method of payment, and any adjustment in contract time. All such services are to be coordinated with City and the results of the work shall be monitored by the City Manager or his designee. However, the means by which the work is accomplished shall be the sole responsibility of the Consultant.

2. TIME OF PERFORMANCE. All of the work outlined in the Scope of Services shall be completed in accordance with the Schedule outlined in Exhibit "A" attached hereto and incorporated herein by reference. By mutual agreement and written addendum to this Agreement, the City and the Consultant may change the requirements in said Schedule.

3. TERM. The term of the Agreement shall be six (6) months, commencing on January 1, 2018 and ending on June 30, 2018.

4. **COMPENSATION.** Payment by the City to the Consultant for actual services rendered under this Agreement shall be made upon presentation of an invoice detailing services performed under the Scope of Services that is attached hereto as Exhibit "A". The Consultant agrees to provide all services required under the Scope of Services in Exhibit "A" within the compensation amount set forth below. For Consultant's services rendered under this Agreement, City shall pay Consultant the not to exceed sum of Fifteen Thousand Dollars (\$15,000.00).

5. **METHOD OF PAYMENT.** Compensation to Consultant shall be paid by the City after submission by Consultant of an invoice delineating the services performed.

6. **RECORDS.** It is understood and agreed that all plans, studies, specifications, data magnetically or otherwise recorded on computer or computer diskettes, records, files, reports, etc., in possession of the Consultant relating to the matters covered by this Agreement shall be the property of the City, and Consultant hereby agrees to deliver the same to the City upon termination of the Agreement. It is understood and agreed that the documents and other materials including but not limited to those set forth hereinabove, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily suitable for any future or other use.

7. **CONSULTANT'S BOOKS AND RECORDS.** Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement. Any records or documents required to be maintained shall be made available for inspection, audit and/or copying at any time during regular business hours, upon oral or written request of the City.

8. **INDEPENDENT CONTRACTOR.** It is expressly understood that Consultant is an independent contractor and that its employees shall not be employees of or have any contractual relationship with the City. Consultant shall be responsible for the payment of all taxes, workers' compensation insurance and unemployment insurance. Should Consultant desire any insurance protection, the Consultant is to acquire same at its expense.

In the event Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the City, Consultant shall indemnify, protect, defend, and hold harmless the City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

9. INDEMNITY. Consultant shall indemnify, protect, defend (with legal counsel selected by the City), save and hold City, its officers, employees, and agents, harmless from any and all claims or causes of action for death or injury to persons, or damage to property resulting from intentional or negligent acts, errors, or omissions of Consultant or Consultant's officers, employees, volunteers, and agents during performance of this Agreement, or from any violation of any federal, state, or municipal law or ordinance, to the extent caused, in whole or in part, by the willful misconduct, negligent acts, or omissions of Consultant or its employees, subcontractors, or agents, or by the quality or character of Consultant's work, or resulting from the negligence of the City, its officers, employees, volunteers and agents, except for loss caused by the sole negligence or willful misconduct of the City or its officers, employees, volunteers or agents. It is understood that the duty of Consultant to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall survive the termination of this Agreement and shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.

10. INSURANCE. During the term of this Agreement, Consultant shall maintain in full force and effect at its own cost and expense, the following insurance coverage:

a. Workers' Compensation Insurance. Full workers' compensation insurance shall be provided with a limit of at least One Hundred Thousand Dollars (\$100,000) for any one person and as required by law, including Employer's Liability limits of \$1,000,000.00 per accident. The policy shall be endorsed to waive the insurer's subrogation rights against the City.

b. General Liability.

- (i) Consultant shall obtain and keep in full force and effect general liability coverage at least as broad as ISO commercial general liability coverage occurrence Form CG 0001.
- (ii) Consultant shall maintain limits of no less than One Million Dollars (\$1,000,000) per occurrence for bodily injury, personal injury and property damage.
- (iii) The City, its officers, employees, volunteers and agents are to be named as additional insureds under the policy, as respects liability arising out of work or operations performed by or on behalf of the Consultant.
- (iv) The policy shall stipulate that this insurance will operate as primary insurance for work performed by Consultant and its sub-contractors, and that any other insurance or self insurance maintained by City or other named insureds shall be excess and non-contributory.
- (v) Consultant shall maintain its commercial general liability coverage for three (3) years after completion of the work and shall add an additional insured endorsement form acceptable to the City naming the City of Merced, its officers, employees, agents and volunteers for each year thereafter for at least three (3) years after completion of the work. Copies of the annual renewal and additional insured endorsement form shall be sent to the City within thirty (30) days of the annual renewal.

c. Automobile Insurance.

- (i) Consultant shall obtain and keep in full force and effect an automobile policy of at least One Million Dollars (\$1,000,000) per accident for bodily injury and property damage.
- (ii) The City, its officers, employees, volunteers and agents are to be named as additional insureds under the policy, as respects automobiles owned, leased, hired or borrowed by the Consultant.

- (iii) The policy shall stipulate that this insurance will operate as primary insurance for work performed by Consultant and its sub-contractors, and that any other insurance or self insurance maintained by City or other named insureds shall be excess and non-contributory.

d. Professional Liability Insurance. Consultant shall carry professional liability insurance appropriate to Consultant's profession in the minimum amount of One Million Dollars (\$1,000,000). Architects and engineers' coverage is to be endorsed to include contractual liability.

e. Qualifications of Insurer. The insurance shall be provided by an acceptable insurance provider, as determined by City, which satisfies all of the following minimum requirements:

- (i) An insurance carrier admitted to do business in California and maintaining an agent for service of process within this State; and,
- (ii) An insurance carrier with a current A.M. Best Rating of A:VII or better (except for workers' compensation provided through the California State Compensation Fund).

f. Certificate of Insurance. Consultant shall complete and file with the City prior to engaging in any operation or activity set forth in this Agreement, certificates of insurance evidencing coverage as set forth above and which shall provide that no cancellation or expiration by the insurance company will be made during the term of this Agreement, without thirty (30) days written notice to City prior to the effective date of such cancellation—including cancellation for nonpayment of premium.

g. Notwithstanding any language in this Agreement to the contrary, Consultant shall be entitled to be paid pursuant to the terms of this Agreement until Consultant has obtained the insurance required by this Section 10 and provided documentation of said insurance to the City. In addition to any other remedies City may have, City reserves the right to withhold payment if Consultant's insurance policies are not current.

11. ASSIGNABILITY OF AGREEMENT. It is understood and agreed that this Agreement contemplates personal performance by the Consultant and is

based upon a determination of its unique personal competence and experience and upon its specialized personal knowledge. Assignments of any or all rights, duties or obligations of the Consultant under this Agreement will be permitted only with the express written consent of the City.

12. **TERMINATION FOR CONVENIENCE OF CITY.** The City may terminate this Agreement any time by mailing a notice in writing to Consultant that the Agreement is terminated. Said Agreement shall then be deemed terminated, and no further work shall be performed by Consultant. If the Agreement is so terminated, the Consultant shall be paid for that percentage of the phase of work actually completed, based on a pro rata portion of the compensation for said phase satisfactorily completed at the time the notice of termination is received.

13. **CONFORMANCE TO APPLICABLE LAWS.** Consultant shall comply with its standard of care regarding all applicable Federal, State, and municipal laws, rules and ordinances. No discrimination shall be made by Consultant in the employment of persons to work under this contract because of race, color, national origin, ancestry, disability, sex or religion of such person.

Consultant hereby promises and agrees to comply with all of the provisions of the Federal Immigration and Nationality Act (8 U.S.C.A. 1101 *et seq.*), as amended; and in connection therewith, shall not employ unauthorized aliens as defined therein. Should Consultant so employ such unauthorized aliens for the performance of work and/or services covered by this Agreement, and should any agency or instrumentality of the federal or state government, including the courts, impose sanctions against the City for such use of unauthorized aliens, Consultant hereby agrees to, and shall, reimburse City for the cost of all such sanctions imposed, together with any and all costs, including attorneys' fees, incurred by the City in connection therewith.

14. **WAIVER.** In the event that either City or Consultant shall at any time or times waive any breach of this Agreement by the other, such waiver shall not constitute a waiver of any other or succeeding breach of this Agreement, whether of the same or any other covenant, condition or obligation. Waiver shall not be deemed effective until and unless signed by the waiving party.

15. **INCONSISTENT OR CONFLICTING TERMS IN AGREEMENT AND EXHIBITS.** In the event of any contradiction or inconsistency between any attached document(s) or exhibit(s) incorporated by reference herein and the provisions of the Agreement itself, the terms of the Agreement shall control.

Any exhibit that is attached and incorporated by reference shall be limited to the purposes for which it is attached, as specified in this Agreement. Any contractual terms or conditions contained in such exhibit imposing additional obligations on the City are not binding upon the City unless specifically agreed to in writing, and initialed by the authorized City representative, as to each additional contractual term or condition.

16. **AMBIGUITIES.** This Agreement has been negotiated at arms' length between persons knowledgeable in the matters dealt with herein. Accordingly, any rule of law, including, but not limited to, Section 1654 of the Civil Code of California, or any other statutes, legal decisions, or common-law principles of similar effect, that would require interpretation of any ambiguities in this Agreement against the party that drafted this Agreement is of no application and is hereby expressly waived.

17. **VENUE.** This Agreement and all matters relating to it shall be governed by the laws of the State of California and any action brought relating to this agreement shall be held exclusively in a state court in the County of Merced.

18. **AMENDMENT.** This Agreement shall not be amended, modified, or otherwise changed unless in writing and signed by both parties hereto.

19. **INTEGRATION.** This Agreement constitutes the entire understanding and agreement of the parties and supersedes all previous and/or contemporaneous understanding or agreement between the parties with respect to all or any part of the subject matter hereof.

20. **AUTHORITY TO EXECUTE.** The person or persons executing this Agreement on behalf of the parties hereto warrants and represents that he/she/they has/have the authority to execute this Agreement on behalf of their entity and has/have the authority to bind their party to the performance of its obligations hereunder.

21. **COUNTERPARTS.** This Agreement may be executed in one or more counterparts with each counterpart being deemed an original. No counterpart shall be deemed to be an original or presumed delivered unless and until the counterparts executed by the other parties hereto are in the physical possession of the party or parties seeking enforcement thereof.

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

ATTEST:
STEVE CARRIGAN, CITY CLERK

BY: _____
Assistant/Deputy City Clerk

APPROVED AS TO FORM:

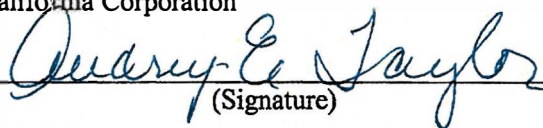
BY: Kelly J. Sanchez 12/27/17
City Attorney Date

ACCOUNT DATA:

BY: _____
Verified by Finance Officer

CONSULTANT
CHABIN CONCEPTS, INC.
A California Corporation

BY:


(Signature)


Audrey E. Taylor
(Typed Name)

Its: President & CEO

(Title)

Taxpayer I.D. No. 68-0190084

BY:


(Signature)

Gerald A. Louie
(Title)

Its: Secretary

ADDRESS: 2515 Ceanothus, Suite 100
Chico, CA 95973

TELEPHONE: 530-345-0364 x27

FAX: 530-345-6417

EMAIL: Audrey@Chabinconcepts.com



Date: December 26, 2017

To: Frank Quintero, Office of Economic Development

Subject: Heavy Maintenance Facility Proposal

Chabin Concepts and DSG Advisors will combine their experience and knowledge to assist the City of Merced in preparing a professional and competitive proposal to submit to the California High-Speed Rail Authority. We understand that the City of Merced, along with the Greater Merced High-Speed Rail Committee and other stakeholders, is seeking consideration from the California High-Speed Rail Authority (CHSRA) as the location for the planned Heavy Maintenance Facility (HMF) which the City previously submitted a proposal that is now out-of-date and CHSRA has re-opened the opportunity to submit another proposal.

Chabin and DSG understand that this proposal and the location of the HMF is a top priority for the City. Chabin and DSG will provide advisory services to help enhance the competitive positioning of the City for the HMF.

Scope of Services - Chabin and DSG propose the following services:

1. Proposal - Review Merced's HFM initial proposal and documents submitted to CHSRA
 - Work with staff to collect new and updated information
 - Assess strengths and weaknesses of competitor sites and proposals
 - Review criteria established by CHSRA
 - Review City of Merced's site for comparison to competition and fit to HMF
 - Approach project as a site selection analysis
 - Provide revisions that will enhance the value proposition of a City of Merced Location
 - Prepare a professional package, including hard copy proposal, electronic and power point for presentation.
2. Research - Provide background research and support services
 - Research equipment vendors selected by CHSRA and offer strategies for engagement
 - Identify business connections in the US and Europe aligned with project stakeholders
3. Technical Support – On call and available for meetings as a technical advisor on site location
 - Meet with stakeholders to advocate for Merced
 - Look for other competitive advantages for Merced

Compensation

Services for 1) Proposal and 2) Research would be provided to not exceed \$15,000. The proposal format will be reviewed and approved by staff. Two draft proposals will be delivered for review and editing for final delivery. Not to exceed does not include development of special maps or purchase of pictures if required (it is our understanding these will be provided to our team). Travel is not expected for proposal review and background research.

Services for 3) Technical Support would be provided on a Time and Material basis and may require travel for meetings. Attendance at any meeting would be by request of the City and only after approval.

Timeline

City anticipates Service 1 & 2 to be completed within 60 days of Council approval. Services 3 could be on-going.

Chabin Concepts (Chabin)



Audrey Taylor
President, Chabin Concepts, Inc.
Co-chair Marketing, TEAMCALIFORNIA
Audrey@chabinconcepts.com
530-345-0364 x27
Economic Development & Marketing Firm

Experience: Economic Development Strategies & Execution
Plans and Tools

Since 1989, Audrey has led Chabin Concepts to be one of the leading full-service economic development and marketing firms in the nation. Success has been built on her philosophy of collaboration and bringing each client the best expertise and experience available.

Not only has she assisted communities, regions and states across the nation with strategic planning, she has successfully prepared over \$75 million in grant applications for clients and private companies for strategic initiatives. She has assisted private companies access the very competitive CalCompetes program, preparing over two dozen applications ranging from \$80,000 awards to \$2.5 million in California Tax Credits.

Chabin's portfolio of work is diverse including assisting communities in locating and expanding companies to entrepreneurial development programs. The hands-on and customized approach is what has earned Chabin a great reputation for identifying key assets of a community and positioning those assets deliver economic growth.

Audrey is a frequent speaker and instructor on the subject of economic development and community readiness. She was best described upon receiving CALED's prestigious *Golden Bear Award* "for her vision, drive, enthusiasm, creativity, and commitment to the economic development profession" but her favorite is a young colleague wrote on her desk bulletin board "Audrey Taylor is my fairy godmother".

Recent Projects (2017)

- *Economic Development Strategies:* Moving Solano Forward, Solano County, CA, www.movingsolanoforwardii.com; Morro Bay, Ca. www.morrobaystrategy.com/meet-the-team; City of Martinez; Hillsboro, Oregon
- *Economic Development Site Assessments:* Merced County, CA; Stanfield, OR
- *Economic Development implementation Services:* City of Merced, CA; City of Benicia, CA.
- *Marketing Strategies:* Chico, CA – website, <https://www.choosechico.com/>
- *Workforce Development Strategies:* North Far North- Community Colleges (7 community colleges), <https://nfnswp.maps.arcgis.com/apps/MapJournal/index.html?appid=822f3f02d4a54d4ab705afb91e4dfb83>
- *CalCompete Applications for Private Companies:* Over \$15 million in awards.
- *Initiatives – Grow Manufacturing, North State; Sports Complex, Butte County*

Don Schjeldahl Group (DSG)



Don Schjeldahl
President, The Don Schjeldahl Group
Don@DonSchjeldahlGroup.com
828-772-9374
Corporate Site Selection Consultant

Experience: Conducted over 300 Corporate Location Assignments. Founder of Competitive Ready communities program and site certification programs.

Professional Information:

Don Schjeldahl is founder and principal at DSG Advisors. DSG is a consulting platform that harnesses expertise in corporate location selection and economic development best practices. With more than 35 years' experience in corporate consulting, Don is a leading expert in corporate location strategy and community/property selection for manufacturing, distribution, and specialized industrial facilities.

Professional History:

In his 28 years at The Austin Company, Don led or directed more than 300 location strategy assignments for manufacturing plants, distribution centers, aviation facilities, research and development centers, newspaper plants, broadcast studios and information processing centers. Don has worked in urban centers and rural areas throughout the United States, Canada, Mexico, United Kingdom and Europe.

While at Austin, Don led the location selection team for food processing, soft drink, bottled water and brewing clients. In this role Don worked with Sierra Nevada Brewing, in total for nearly three years. Don helped the company find the best location for an eastern U.S. brewery. Mills River, North Carolina, located 12 miles south of Asheville, was selected as the location for the \$150 million facility. In August 2013 Mr. Schjeldahl concluded his assignment with Sierra Nevada after helping the company initiate the Mills River project and to advance Sierra Nevada's programs for sustainability, energy efficiency and renewable energy that are well established at their Chico, California brewery.

Publications:

Don is a frequent presenter at professional meetings and a contributor to industry-specific publications and location selection journals including Area Development, Business Facilities, Site Selection, and Solar Industry.

Activities and Achievements:

Don is a co-founder of the Site Selectors Guild (www.SiteSelectorsGuild.com) and Competitive Ready consulting consortium (www.competitiveready.com).



ADMINISTRATIVE REPORT

Agenda Item H.14.

Meeting Date: 1/2/2018

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

SUBJECT: Notice of Vacancy - Recreation and Parks Commission

REPORT IN BRIEF

Requests direction for filling a vacancy on the Recreation and Parks Commission.

RECOMMENDATION

City Council - Adopt a motion directing staff to notice a vacancy on the Recreation and Parks Commission due to the vacancy created by the resignation of Corrine Chavez and to seek applicants for the position with an application deadline of February 1, 2018.

ALTERNATIVES

1. Direct staff to notice the vacancy and seek applicants for the position; or,
2. Give staff specific instructions regarding how to advertise for the vacancy.

AUTHORITY

Article VII, Sections 700, 702, 702.1, 705, 707, and 708 of the Merced City Charter.

CITY COUNCIL PRIORITIES

Not applicable.

DISCUSSION

Background

The Commission acts in an advisory capacity to the City Council in all matters pertaining to recreation and parks, considers the annual budget for recreation and parks during the process of its preparation and makes recommendations respect thereto to the City Manager and to the City Council, and assists in the planning of a recreation program for the citizens of Merced. The Commission consists of seven members who serve four-year terms of office. Meetings are held on the fourth Monday of each month at 5:30 PM.

Current Vacancy

Due to the resignation of Corrine Chavez, a vacancy has been created with a term ending date of July 1, 2019. The Commission's roster is attached for your reference.

Posting of Notice

Unless other direction is necessary, the vacancy will be posted in accordance with Government Code Section 54970, et seq., and the matter of appointment placed on a future City Council agenda. The vacancy will be posted in the newspaper, on the City's website and social media accounts as well as the physical posting locations.

IMPACT ON CITY RESOURCES

No appropriation of funds is needed.

ATTACHMENTS

1. Recreation and Parks Commission Roster



RECREATION AND PARKS COMMISSION

BOARD ROSTER



JEREMY JENKINS

1st Term May 05, 2014 - Jul 01, 2018

Appointing Authority City Council

Position Vice-Chair

Office/Role Commissioner



MICHAEL D PIERICK

1st Term Jul 17, 2017 - Jul 01, 2018

Appointing Authority City Council

Position Commissioner



YESENIA CURIEL

1st Term Jul 17, 2017 - Jul 01, 2018

Appointing Authority City Council

Position Commissioner

Office/Role Commissioner



MICHAEL R BELLUOMINI

1st Term Dec 19, 2016 - Jul 01, 2019

Appointing Authority City Council

Position Ex-Officio



ERIC MOORE

1st Term Jul 17, 2017 - Jul 01, 2021

Appointing Authority City Council

Position Commissioner



RALPH W. MORRIS

1st Term Jul 17, 2017 - Jul 01, 2021

Appointing Authority City Council

Position Commissioner



BIANCA WARREN

1st Term Mar 21, 2016 - Jul 01, 2021

Appointing Authority City Council

Position Commissioner



VACANCY

Appointing Authority City Council

Position Chair

Office/Role Commissioner



CITY OF MERCED

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

ADMINISTRATIVE REPORT

Agenda Item H.15.

Meeting Date: 1/2/2018

SUBJECT: Second Reading of Ordinance for the Reauthorization of State Franchise Holder PEG Fee

REPORT IN BRIEF

Second reading of previously introduced ordinance.

RECOMMENDATION

City Council - Adopt a motion adopting **Ordinance 2483**, an Ordinance of the City Council of the City of Merced, California, Amending Section 30.50.010, "Fee for Support of Local Cable Usage," of the Merced Municipal Code.

ALTERNATIVES

1. Approve, as recommended by staff; or,
2. Approve, subject to conditions as outlined by Council; or,
3. Deny; or,
4. Refer to staff for reconsideration of specific items;

AUTHORITY

Merced Municipal Code (MMC), Chapter 3.50 - Local Cable Usage Fees

MMC Section 3.50.010 - Fee for Support of Local Cable Usage.

For any state video franchise holder operating within the boundaries of the City of Merced, there shall be fee paid to the city equal to one percent of the gross revenue of the state video franchise holder, which fee shall be used by the City for the purpose of facilitating public, educational, and governmental access consistent with state and federal law. The term "gross revenues" shall be defined as set forth in Public Utilities Code Section 5860, as amended from time to time.

CITY COUNCIL PRIORITIES

As provided for in the 2017-18 Adopted Budget

ATTACHMENTS

1. Ordinance 2483

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY COUNCIL OF
THE CITY OF MERCED, CALIFORNIA,
AMENDING SECTION 3.50.010 “FEE FOR
SUPPORT OF LOCAL CABLE USAGE,” OF THE
MERCED MUNICIPAL CODE**

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

SECTION 1. AMENDMENT TO CODE. Section 3.50.010, “Fee for Support of Local Cable Usage” of the Merced Municipal Code is hereby amended to read as follows:

**“3.50.010 Fee for Support of Local Cable Usage;
Reauthorization for State Franchise Holder PEG Fee.**

A. For any state video franchise holder operating within the boundaries of the City of Merced, there shall be fee paid to the City equal to one percent of the gross revenue of the state video franchise holder, which fee shall be used by the City for the purpose of facilitating public, educational, and governmental access consistent with state and federal law. The term ‘gross revenues’ shall be defined as set forth in Public Utilities Code Section 5860, as amended from time to time.

B. The fee on state franchise holders to support public, educational and governmental channel facilities in Merced Municipal Code Section 3.50.010(A) is reauthorized and shall remain unchanged and in full effect as to all state franchise holders.

C. The PEG fee in Merced Municipal Code Section 3.50.010 shall automatically be reauthorized upon expiration of any existing or future franchise certificate(s) held by any state franchise holder operating within the City of Merced.

D. This Section shall automatically be reauthorized upon the expiration of any existing or future certificate(s) held by any state franchise holder operating within the City of Merced. This Section shall so renew upon the future expiration of any franchise certificate(s) until such time that the City Council formal affirmative action to cease renewals.”

SECTION 2. EFFECTIVE DATE. This Ordinance shall be in full force and effect upon 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 _____, 2017, and was passed and adopted at a regular meeting of said City Council held on the ____ day of _____, 2017, by the following called vote:

AYES: Council Members:

NOES: Council Members:

ABSTAIN: Council Members:

ABSENT: Council Members:

APPROVED:

Mayor

ATTEST:
STEVE CARRIGAN, CITY CLERK

BY: _____
Deputy City Clerk

(SEAL)

APPROVED AS TO FORM:

Vellay Fincher 12/13/17
City Attorney **Date**



ADMINISTRATIVE REPORT

Agenda Item H.16.

Meeting Date: 1/2/2018

SUBJECT: Second Reading of Ordinance Amending Chapter 8.28 of the Merced Municipal Code Pertaining to Burglar Alarm Systems and False Alarms

REPORT IN BRIEF

Second reading of previously introduced ordinance.

RECOMMENDATION

City Council - Adopt a motion adopting **Ordinance No. 2484**, an Ordinance of the City Council of the City of Merced, California, adding chapter 8.28, "Burglar Alarm Systems and False Alarms," to the Merced Municipal Code.

ALTERNATIVES

1. Deny the Request; or
2. Refer back to staff for reconsideration of specific items; or,
3. Continue to a future City Council meeting (date and time to be specified in the City Council's motion).

AUTHORITY

City of Merced Charter, Sections 200.
California Business and Professions Code, Section 7592.8.

CITY COUNCIL PRIORITIES

The City's Burglar Alarm System and False Alarm Ordinance furthers the City Council goals of reducing police responses to false alarms occurring within the City.

ATTACHMENTS

1. Ordinance No. 2484

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY COUNCIL OF
THE CITY OF MERCED, CALIFORNIA, ADDING
CHAPTER 8.28, "BURGLAR ALARM SYSTEMS
AND FALSE ALARMS," TO THE MERCED
MUNICIPAL CODE**

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

SECTION 1. ADDITION TO CODE. Chapter 8.28, "Burglar Alarm Systems and False Alarms," is hereby added to the Merced Municipal Code to read as follows:

**"Chapter 8.28
BURGLARY ALARM SYSTEMS
AND FALSE ALARMS**

Sections:

- 8.28.010 Short Title.**
- 8.28.020 Purpose.**
- 8.28.030 Definitions.**
- 8.28.040 Audible Alarm System.**
- 8.28.050 Automatic Dialing Devices Prohibited.**
- 8.28.060 Robbery, Burglary and Panic Alarm Systems.**
- 8.28.065 Duties of Alarm Companies.**
- 8.28.070 Maintenance and Testing.**
- 8.28.080 Assessment of Service Fees.**
- 8.28.085 Special Rules Applicable to Governmental Entities.**
- 8.28.090 Alarm User Awareness Class.**
- 8.28.100 Permit Required.**
- 8.28.110 Permit Applications.**
- 8.28.120 Issuance of Permit.**
- 8.28.130 Expiration of Permit.**
- 8.28.140 No Transfer or Assignment of Permit.**
- 8.28.150 Suspension or Revocation of Permit.**

- 8.28.160 Suspension and Revocation Hearing.**
- 8.28.170 Reapplication for Permit; Certification;
Reissuance of Permit.**
- 8.28.180 Alarm Use After Suspension or
Revocation of Permit.**
- 8.28.190 Notices.**
- 8.28.200 Contesting a False Alarm Service Fee.**
- 8.28.210 Violations.**
- 8.28.220 Severability.**
- 8.28.230 Nonliability.**

8.28.010 Short Title.

This Chapter shall be known as the Burglar Alarm Ordinance of the City of Merced.

8.28.020 Purpose.

The purpose of this Chapter is to establish standards and regulations for the installation and use of alarm systems to reduce the needless and frequent occurrence of police responses to false alarms occurring at commercial, residential, and other facilities or structures within the City. The increasing frequency of police responses to false alarm calls constitutes a hazard to police officers and the public, and also inhibits the ability of the Police Department to respond to other emergencies to protect the health, safety, and welfare of the residents of Merced. Police resources within the City are limited and the unnecessary responses to false alarms diverts valuable police resources and results in substantial costs to the City each year. The regulation of alarm systems is necessary to promote the health, safety and general welfare of the public by discouraging false alarms.

8.28.030 Definitions.

For the purpose of this Chapter, certain words and phrases are defined and shall be construed as set forth

below unless it is apparent from the context a different meaning is intended.

A. Alarm Administrator. The term ‘alarm administrator’ means the person designated by the Chief of Police to administer the City’s false alarm program, to issue citations and levy fees pursuant to this Chapter.

B. Alarm Company. The term ‘alarm company’ shall be defined as any person, retail establishment, organization, answering service, central station, or modified central station that installs, maintains, alters, sells, connects, or monitors burglary or other alarm security systems for profit or other consideration. This includes an alarm company that is located outside of the limits of the City which monitors alarms installed within the limits of the City. Such companies must be licensed in accordance with the Business and Professions Code Sections 7590 *et seq.*

C. Alarm Permit. An “alarm permit” means a permit issued by the City or Chief of Police allowing the operation of an alarm system within the City.

D. Alarm System. The phrase ‘alarm system’ means any single device or assembly of equipment designed to signal the occurrence of an illegal or unauthorized entry or other illegal activity requiring immediate attention and a law enforcement response. Fire or smoke detection systems, alarm systems affixed to motor vehicles, alarms designed to elicit medical responses or alarm systems which by design or operation, only alert the occupants of a residence or business premises do not constitute alarms systems within the meaning of this Chapter.

E. Alarm User. The phrase ‘alarm user’ means any person owning, leasing, or operating an alarm system or a person who is entitled to possession of any premises within the City that has an installed alarm system that he/she operates.

F. Answering Service. The phrase ‘answering service’ means a telephone answering service which provides, among its services, the receiving of signals from alarm systems, and the subsequent immediate relaying of said messages based on such signals by live voice to the communications center of the Police Department.

G. Automatic Dialing Device. The phrase ‘automatic dialing device’ means an alarm system which automatically sends over regular telephone lines, by direct connection or otherwise, a pre-recorded voice message indicating the existence of an emergency situation that the alarm system is designed to detect and a request for a law enforcement response.

H. Business. The word ‘business’ means any individual or organization engaged in a for-profit enterprise or any non-profit organization which seeks to install an alarm system.

I. Cancellation. A ‘cancellation’ means the process where a police response is terminated when an alarm company or alarm user notifies the Police Department before the arrival of law enforcement personnel that there is not an existing situation at the alarm site requiring police response.

J. City. References to City refer to the City of Merced.

K. Central Station. The phrase ‘central station’ means an office to which alarm systems are connected, where operators monitor the circuits, and where guards and/or service persons are continuously present to investigate signals.

L. Chief of Police. For purposes of this Chapter, ‘Chief of Police’ means the Chief of Police for the City or his or her designee.

M. Emergency. For purposes of this Chapter, the word ‘emergency’ means the commission or attempted commission of an illegal act, including, but not limited to, robbery or burglary, or an unauthorized entry into a building, structure or facility or any other life threatening emergency requiring a law enforcement or medical response.

N. Excessive False Alarms. An alarm system shall be deemed to have actuated excessive false alarms when there are more than ten (10) false alarms for a residence or twenty (20) false alarms for businesses or institutional facilities within a calendar year.

O. False Alarm. A ‘false alarm’ means the activation of an alarm system through mechanical or electronic failure, malfunction, improper installation, or the negligence of the alarm user or his/her employees, agents or authorized users which necessitates a response and arrival by the police department when an emergency condition does not exist. Alarm calls that are cancelled by the alarm user or his/her agent before police department personnel arrive at the alarmed location shall not constitute a false alarm. A false alarm shall not include an alarm which was caused by a severe storm, earthquake, or other uncontrollable act of nature, a loss of electrical power at the address of the alarm system or any other extraordinary circumstances that are not reasonably subject to the control of the alarm user.

P. Government Facility. The phrase ‘governmental facility’ means any alarmed location where the primary owner, operator, renter or lessee is the United States Government, the State of California, a County, or departments thereof, including the University of California.

Q. Modified Central Station. The phrase ‘modified central station’ means an office to which alarm systems

are connected, where operators monitor the circuits but where guards are not present to investigate alarm signals.

R. Panic Alarm. The phrase ‘panic alarm’ means any electrical or mechanical device designed to enable an individual, 24 hours a day, to instantly alert others of the existence of an emergency by the sounding of an audible alarm or transmitting a signal or message when activated.

S. Permittee. The word ‘permittee’ means the person to whom an alarm system permit is issued.

T. Person. The word ‘person’ shall include natural persons without regard to number or gender, and any partnership, corporation, or any other type of legal entity.

U. Residence. The word ‘residence’ means any structure used primarily as living quarters. This includes single-family homes, multi-family dwellings, duplexes, apartments, condominiums, and mobile homes.

V. Robbery Alarm. The phrase ‘robbery alarm’ means any device or system designed to operate day or night to instantly transmit a signal to alert others of an actual armed robbery or holdup in progress.

W. Service Fees. ‘Service fees’ are fees charged for police responses to false alarms.

X. Verify/ Verification. The terms ‘verify’ and ‘verification’ mean an attempt by the alarm monitoring company, or its representative, to contact the alarm site and/or alarm user by telephone or other electronic means to determine or attempt to determine whether an alarm signal is valid before requesting a law enforcement dispatch in order to avoid an unnecessary alarm dispatch request.

8.28.040 Audible Alarm System.

Audible alarms shall automatically turn off within fifteen (15) minutes of initial activation.

8.28.050 Automatic Dialing Devices Prohibited.

A. No person shall install, maintain or use an alarm system that automatically dials or transmits a signal directly to the Police Department upon activation.

B. The relaying of emergency messages regarding activation of burglary or robbery alarms to the Police Department by a central station, modified central station, or an answering services shall be as permitted and designated by the Chief of Police.

8.28.060 Robbery, Burglary and Panic Alarm Systems.

A burglary, panic or robbery alarm system is to be activated only in the event of an emergency as defined in section 8.28.030 (M) of this Chapter. Any other use or indiscriminate activation is prohibited and constitutes a violation of this Chapter.

8.28.065 Duties of Alarm Companies.

A. All alarm companies shall verify burglary alarm activations prior to contacting the Police Department to request a law enforcement response. This verification requirement shall not apply to robbery or panic alarm activations or signals. Verification must be made by one of the following methods prior to requesting a police response:

1. Enhanced Call Verification (ECV) whereby at least two calls to two different phone numbers provided by the alarm user have been made to verify that an actual emergency exists.

2. Video Verification whereby a video signal or connection is sent or accessed by the alarm company showing visual evidence that criminal activity or an emergency situation is occurring at the alarmed location.

3. Listen In or Audio Technology whereby the alarm monitoring company operator hears evidence indicating there is the possibility that criminal activity or an emergency situation is occurring at the alarmed location.

4. Multi-Zone Activation whereby the alarm monitoring company operator has determined that there are alarm activations in two or more separate monitoring zones and the alarm company has been unable to contact the alarm user.

B. An alarm company shall immediately contact the Police Department Communications Center to cancel a request for a police response following a determination that a police response is unnecessary.

C. Upon the effective date of this ordinance, any alarm companies providing alarm monitoring services within the City shall provide to the alarm administrator the initial list of alarmed locations in the format designated by the alarm administrator within 30 days. All alarm companies shall also ensure that their customer information is updated with the alarm administrator at least quarterly in the format provided by the alarm administrator.

D. Alarm companies providing alarm system installation services shall provide written and oral instructions to each of its alarm users in the proper use and operation of their alarm systems. Such instructions shall specifically include all instructions necessary to turn the alarm system on and off with an emphasis on the avoidance of false alarms.

E. Alarm companies that purchase alarm system accounts from another person or the alarm company shall notify the alarm administrator of that purchase within 30 days of the finalization of the purchase and shall provide information regarding their services and accounts as may be reasonably requested by the alarm administrator.

F. Alarm companies shall, on new installations of alarm systems, use only alarm control panel(s) which meet SIA Control Panel Standard CP-01.

8.28.070 Maintenance and Testing.

An alarm user or alarm company shall ensure that the Police Department is notified, and confirm receipt of such notice, at least eight (8) hours before conducting any service, testing, or maintenance of an alarm system which may signal or activate an alarm. An alarm activated where such prior notice has been given to the Police Department shall not constitute a false alarm.

8.28.080 Assessment of Service Fees.

Each false alarm within any calendar year (i.e., January to December) shall incur a service fee, payable to the City as follows:

Number of False Alarms	Service Fees for Permitted Systems	Service Fees for Non-permitted Systems
1-2	No service fee	\$100.00
3	\$ 50.00 (subject to waiver)	\$150.00
4-5	\$ 50.00	\$150.00
6 or more	\$ 100.00	\$200.00

The maximum fee per day shall not exceed \$250.00.

**8.28.085 Special Rules Applicable to
Governmental Entities.**

Government facilities are subject to the following special rules:

1. Any alarmed government facilities must obtain a permit and update the permit annually for the purpose of providing contact information for the alarm system.
2. No cost recovery service fees shall be charged for police response(s) to false alarms at governmental facilities.
3. Government facilities are exempt from having police response suspended.
4. To qualify for the special rules and exemptions under this section, an alarm site/facility must meet the following criteria:
 - (a) The facility is located within the municipal boundaries of the City; and,
 - (b) The site meets the criteria as defined in Section 8.28.030 (P) of this Chapter.

8.28.090 Alarm User Awareness Class.

- A. The Police Department may deliver, provide access to or recommend an on-line provider for an alarm user awareness class for the prevention of false alarms.
- B. If an alarm user successfully completes the alarm user awareness class, the police department or approved provider shall issue the person a certificate or other proof of completion. The certificate may be used in lieu of

payment for the third false alarm service fee as described in Section 8.28.080 of this Chapter. A waiver shall only be granted to an alarm user who had a permitted alarm system at the time of their third false alarm violation.

8.28.100 Alarm Permit Required.

A. Individual Users. No property owner or person in possession of property shall cause an alarm system to be installed, connected, operated, or maintained on any property in the City without first obtaining an alarm system permit from the Chief of Police in accordance with this Chapter. Alarm systems which are not designed to summon public and/or Merced Police Department attention, but which are privately monitored and responded to, are exempt from this requirement.

B. Alarm Companies: Installation or Connection of Alarm System. No alarm company shall install or connect an alarm system upon any property within the City without first obtaining a copy of the alarm system permit.

C. Existing Alarm Users. All alarm users who have alarm systems installed and operational prior to the adoption of the ordinance codified in this Chapter shall have ninety days from the effective date of this ordinance to obtain an alarm user's permit pursuant to this Chapter.

8.28.110 Permit Applications.

A. Permit Applications. Applications, renewals, and reapplications for alarm system permits shall be filed with the Chief of Police on such forms as he or she may prescribe. Such applications shall contain the name, address, and telephone number of the person who will respond to the alarm, or render service or repairs to the alarm during any hour of the day or night and such additional information the Chief of Police shall deem

reasonably necessary for the evaluation and proper processing of the permit application.

B. Confidentiality. The information furnished and secured pursuant to this Chapter shall be confidential in character, shall not be subject to public inspection, and shall be kept so the contents thereof shall not be disclosed except to persons charged with the administration of this Chapter.

8.28.120 Issuance of Permit.

The Chief of Police may issue an alarm system permit after determining that the requirements of this Chapter have been met.

8.28.130 Expiration of Permit.

Each alarm system permit issued shall only expire upon renewal, change of ownership if issued to a property owner or upon change of tenancy if issued to a tenant. Upon expiration of an alarm system permit, a new permit shall be secured in the manner specified in this Chapter, before an alarm system may continue to be used.

8.28.140 No Transfer or Assignment of Permit.

Any alarm system permit issued in accordance with the provisions of this Chapter shall be valid only as to the permittee named on the permit and only for the particular alarm system specified on the permit. No alarm system permit shall in any manner be transferred or assigned.

8.28.150 Suspension or Revocation of Permit.

A. Grounds for Suspension or Revocation. The following shall constitute grounds for suspension or revocation of an alarm system permit:

1. The violation of any provision of this Chapter.
2. The occurrence of excessive false alarms calls, meaning more than ten (10) false alarms for a residence or more than twenty (20) false alarms for businesses or institutional facilities within a calendar year.
3. The violation of any condition imposed by the Chief of Police upon an alarm system permit issued in accordance with this Chapter.
4. This section does not apply to public schools or government facilities.

B. Length of Suspension; Restoration. When a permit is suspended, the Chief of Police may impose a suspension period not to exceed ninety (90) days. The permit will be restored when the condition which caused the suspension is corrected. If the condition causing the suspension is not corrected within ninety (90) days, the permit shall be deemed revoked.

8.28.160 Suspension and Revocation Hearing.

No alarm system permit shall be suspended or revoked until a hearing has been held by the City Manager or his or her designated representative. Written notice of the time and place of such hearing shall be sent to the permittee. Such notice shall be given at least ten (10) days prior to the date set for hearing. The notice of hearing shall include the date, time, and location of the hearing, and a brief statement of the grounds upon which the proposed suspension or revocation will be based. Notice may be given either by personal service or by depositing the notice in the United States mail addressed to such person(s) to be notified at the address provided on the alarm system permit application or any change of address provided to the Chief of Police for purposes of

updating the alarm system permit information. A permittee may appear at the hearing telephonically.

8.28.170 Reapplication for Permit; Certification; Reissuance of Permit.

Any person whose alarm system permit is suspended or revoked may reapply for a new alarm system permit as follows:

A. Reapplication for Permit. All reapplications shall be submitted directly to the Chief of Police on such forms as he or she prescribes.

B. Certification of Corrective Action. The person reapplying for an alarm system permit following the suspension or revocation of their permit shall submit a certification declared under penalty of perjury that all corrective action has been taken to ensure that no further violations will occur and that any pre-conditions to the re-issuance of the alarm system permit have been met.

C. Reissuance of Permit. If, after reviewing the certification and in his or her sole discretion, the Chief of Police determines that the grounds for the prior suspension or revocation have been eliminated, or that such grounds are not likely to occur again in the future, an alarm system permit shall be re-issued to the owner or person in possession of the property for which the alarm system is sought to protect. The Chief of Police may impose such conditions on the alarm system permit as he/she deems reasonably necessary to ensure that the permittee will comply with the provisions of this Chapter.

8.28.180 Alarm Use after Suspension or Revocation of Permit.

Any alarm user who knowingly operates or causes a false alarm to occur after his or her alarm user permit has been suspended or revoked shall be subject to civil and/or criminal penalties as determined by the City.

8.28.190 Notices.

Any notice or other written proof required by this Chapter to be served on or given to any person shall be in writing and shall be duly served and given when personally delivered to the person to whom it is directed or when deposited in the United States mail, first class, postage prepaid, addressed to the last known address of the person to whom it is directed.

8.28.200 Contesting a False Alarm Service Fee.

An alarm user may appeal the imposition of a service fee as follows:

- A. An alarm user may appeal the imposition of a service fee by sending a letter to the Chief of Police specifying the reasons for the appeal and contesting the imposition of the service fee. The alarm user must include a detailed description of the false alarm event and include all credible evidence in his or her possession that supports the contention that the alarm activation does not constitute a false alarm.
- B. The letter must be received by the Chief of Police within thirty (30) calendar days after the false alarm service fee invoice is mailed to the alarm user.
- C. A false alarm service fee may only be appealed on the grounds that the incident cited as the basis for the service fee was, in fact, not a false alarm as defined by Section 8.28.030 (O) of this Chapter.

D. The Chief of Police may reject requests for appeals that are not supported by detailed, credible evidence demonstrating that the alarm was not a false alarm.

E. A Notice of Decision regarding the appeal to the Chief of Police shall be mailed to the alarm user within fifteen (15) business days following the receipt of the appeal request.

F. In the event that the first appeal is denied, the alarm user may, within twenty one (21) calendar days after the Notice of Decision is sent by the Chief of Police, file a written request for an appeal with the City Manager or his or her designee requesting an in-person hearing.

G. An informal appeal hearing shall be held within 90 days following the timely submission of a request for an appeal.

H. The hearing shall be conducted by an appeals officer appointed by the City Manager. Written notice to the appellant of the date, time and location of the hearing shall be given at least ten (10) calendar days prior to the date of the hearing either by personally delivering the notice to the appellant or by mailing a copy thereof to the appellant at the address shown or provided in the appeal. The appellant may appear at the hearing telephonically.

The employment, performance evaluation, compensation and benefits of the appeals officer shall not be directly or indirectly conditioned upon the amount of administrative citation fines upheld, imposed, awarded or assessed by the appeals officer.

I. The alarm administrator may serve as the City's representative in these hearings. The alarm administrator may participate in the hearing telephonically.

J. The decision regarding the appeal shall be in writing and shall contain a determination of the all issues and questions of fact presented. The decision shall be mailed to the appellant by first class mail to the address shown or provided in the appeal within thirty (30) days of the hearing.

K. The failure of any person to timely file an appeal shall constitute an irrevocable waiver of the right to an administrative hearing and a final adjudication of the notice imposing the false alarm service fee.

8.28.210 Violations.

A. Penalties. Except where punishment is specifically provided elsewhere in this Chapter, penalties for violations of provisions of this Chapter may be levied in accordance with Chapter 1.12 of this Code.

B. Enforcement. The conviction or punishment of any person for violating any provision of this Chapter shall not relieve such person from paying any service fees due and unpaid at the time of such conviction or punishment, nor shall payment of any service fees bar a criminal prosecution for a violation of any provision of this Chapter. All remedies shall be cumulative, and the use of one or more remedies by the City shall not bar the use of any other remedy for the purpose of enforcing the provisions of this Chapter. The amount of any service fees due and owing shall be deemed a debt to the City. An action may be commenced in the name of the City in any court of competent jurisdiction for the amount of any delinquent service fees. All service fees shall be deemed delinquent thirty (30) days from the date they are due and payable.

8.28.220 Severability.

The sections, paragraphs, sentences, clauses, and phrases of this Chapter are, and are intended to be, severable. If any phrase, clause, sentence, paragraph, or section of this Chapter shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Chapter.

8.28.230 Nonliability.

Nothing in this article shall create or be construed to create a duty upon the Police and/or Fire Department or City to respond to any alarm system activation or signal whether false or not. All calls for service from the City's Police and Fire Departments, including those caused by an alarm activation or signal, may be responded to within the resources available at the time of the alarm.

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 _____, 2017, and was passed and adopted at a regular meeting of said City Council held on the ____ day of _____, 2017, by the following called vote:

AYES: Council Members:

NOES: Council Members:

ABSTAIN: Council Members:

ABSENT: Council Members:

APPROVED:

Mayor

ATTEST:
STEVE CARRIGAN, CITY CLERK

BY: _____
Assistant/Deputy City Clerk

(SEAL)

APPROVED AS TO FORM:

Kelly Fincher 12/11/17
City Attorney Date

NOTICE OF POTENTIAL INTRODUCTION OF ORDINANCE

CITY OF MERCED

NOTICE IS HEREBY GIVEN that on _____, 2016, the City Council of the City of Merced is scheduled to consider the introduction of an Ordinance entitled:

**“AN ORDINANCE OF THE CITY COUNCIL OF
THE CITY OF MERCED, CALIFORNIA, ADDING
CHAPTER 8.28, ‘BURGLAR ALARM SYSTEMS
AND FALSE ALARMS,’ TO THE MERCED
MUNICIPAL CODE”**

at its regular meeting to be held at 7:00 pm in the City Council Chambers at 678 West 18th Street, Merced, California. The public is invited to provide any oral or written comments regarding this proposed Ordinance.

If adopted, this Ordinance would regulate the use and installation of burglar alarm systems at commercial, residential, and other facilities or structures in the City of Merced. It imposes duties on both alarm companies and alarm users to deter the incidence of false alarms occurring within the City. In addition, anyone using an alarm system within the City of Merced must apply for and obtain a permit for such use from the Chief of Police. There is no cost for obtaining a permit. This Ordinance also sets a service fee schedule which will be used to impose a service fee after the occurrence of two false alarms that result in a police response to the alarmed location. The City Council will consider two different fee schedules for this Ordinance. One would apply to any alarm user within the City of Merced, except for governmental entities, and the other that would have a separate fee schedule for the public schools located within City limits.

A copy of the full text of the proposed Ordinance is available for review in the Office of the City Clerk, City of Merced, 678 West 18th Street, Merced, California, and on the City’s website at www.cityofmerced.org.

ASSISTANT CITY CLERK

PUBLISH:



CITY OF MERCED

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

ADMINISTRATIVE REPORT

Agenda Item I.1.

Meeting Date: 1/2/2018

Report Prepared by: Mark E. Hamilton, Housing Program Supervisor, Housing Division, Department of Development Services

SUBJECT: Community Input Presentation by Housing Staff

REPORT IN BRIEF

Provide Housing Staff with input regarding the 2018 HUD Annual Action Plan.

ATTACHMENTS

1. Community Input PowerPoint Presentation

Community Input for HUD Annual Action Plan

SUGGESTED NEEDS FOR 2018-19 FISCAL YEAR



Community Development Block Grant

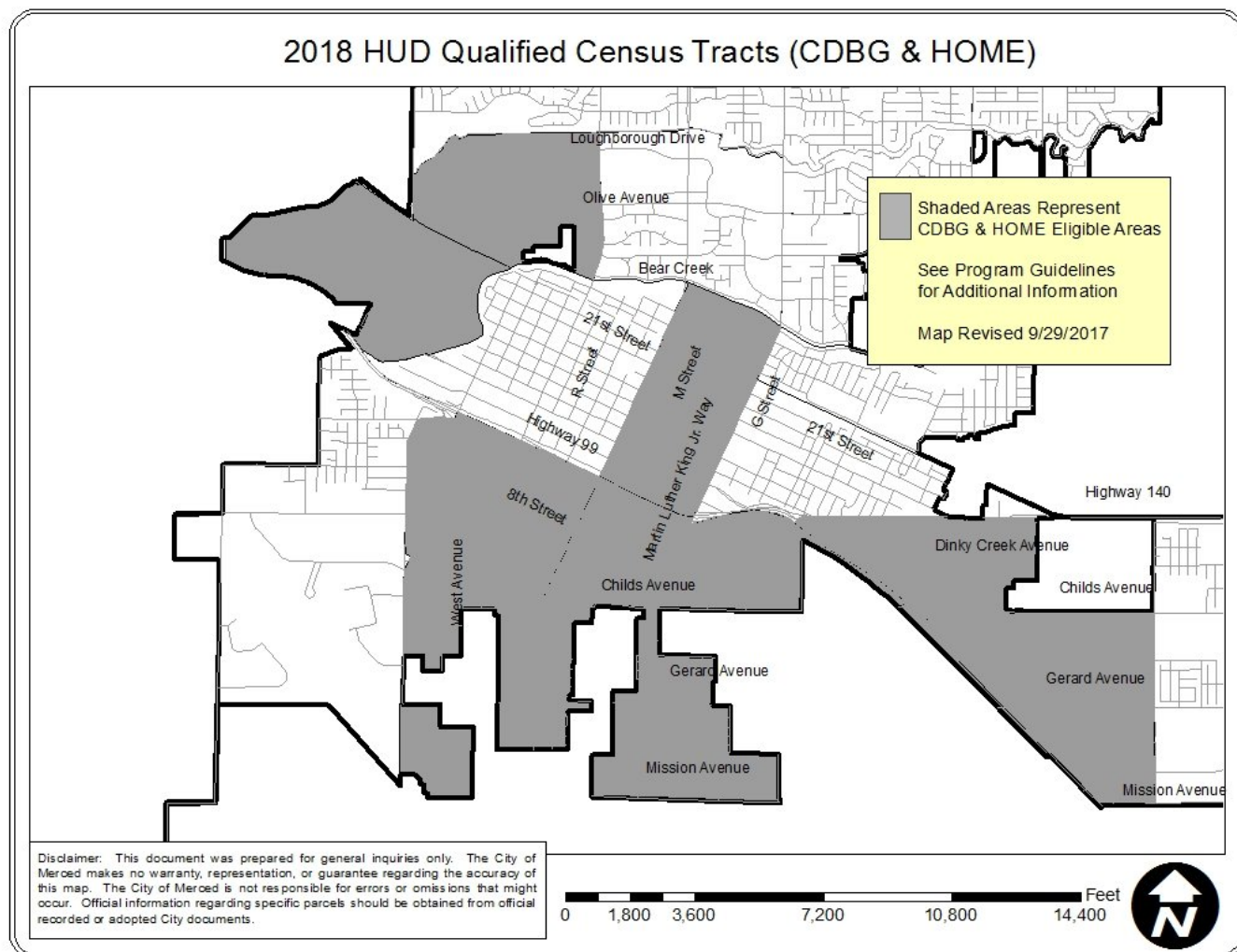
- Community Development Block Grant
- Federal Funds Granted to the City
- 70% Must Benefit Low Income
- Merced is a HUD Entitlement Community

- Community Projects
- Housing Developments
- City Infrastructure
- Economic Development
- Public Service Projects
- Monitoring Past Projects

HOME Investment Partnership Program

- HOME Investment Partnerships Program
- Also from HUD
- Annual Allocation awarded to Merced
- Fair Housing Services
- Housing Related-Activities to benefit low income
- Homeowner Rehabilitation Projects
- Permanent Supportive Housing
- Supports Community Residential Development


Eligible Census Tracts



What Can We Do In Eligible Census Tracts?

- 
- Street Improvements
 - Park Improvements
 - ADA Sidewalk & Ramp Improvements
 - Acquisition of Property for Permanent Supportive Housing
 - Multi-Family Residential Developments
 - Mix-Use Development Projects
 - Homeowner Rehabilitation
 - Community Programs

2017/18 Local Grants

- 
- Merced Rescue Mission
 - Healthy House
 - Habitat for Humanity
 - Sierra Saving Grace
 - United Way
 - Valley Crisis Center
 - Rapid Re-housing
 - Warming Center
 - Permanent Supportive Housing
 - Continuum of Care
 - Rapid Re-housing
 - Public Infrastructure

Some of Housings Past Successes - Since 2011

- Partnered with the Following:
 - Sierra Saving Grace – 2 Units
-Permanent Support Housing
 - Valley Crisis Center - 2 Units
-Victims of Domestic Violence
 - Rescue Mission – 1 Unit
-Formerly Homeless Individuals
 - Habitat for Humanity
-Homeowner Rehabilitation
- Fund an average of 10-12 non-profit organizations per year.
 - Public Service Activities: 7-8 Per Year (Avg. award: \$10,000)
 - Development Projects: 1-2 Per Year (Avg. Award: \$180,000)

Some of Housings Past Successes - Since 2011

- Rehabilitation of Apartments

- 1113 W. 2nd Street – 7 Units

- Construction of New Units:

- 2668 N. Hwy 59 – 4 Units

- Woodbridge Apts – 75 Units



1820 I Street – 2 Units

Gateway Terrace – 66 Units

- First Time Home Buyer Loans: 57 = \$1,252,685

- Homeowner Properties Rehabilitated: 30 = \$705,384

Photos of our Successes

Woodbridge Apts



Gateway Terrace Apartments



Infrastructure Projects

Water Main Replacement 7th & T Street



ADA Ramps - 20 Ramps Replaced S & T Streets



Stephen Leonard Park Improvements



Splash Pad, Skate Park, Play Area



New Const. – 2668 N. Hwy 59

Developer: CVCAH

Total Units: 4

Total Costs Expended: \$224,500

Purchased as a foreclosure



Sub-Recipient Programs

Merced Arts Center – Disabled Adults



Project Sentinel – Fair Housing



Merced Lao Family – Youth Program



COVE – Youth with Visual Disabilities



Homeowner Rehabilitation – H4H



Yearly Fiscal Investment



Actual Reported Expenditures
Invested in our Community:

Fiscal Year 2012/13 = \$5,239,044

Fiscal Year 2013/14 = \$2,840,488

Fiscal Year 2014/15 = \$1,485,066

Fiscal Year 2015/16 = \$2,938,527

Fiscal Year 2016/17 = \$2,097,632

Federal Grants Received: CDBG, HOME, NSP3, DOE, HPRP

State Grants Received: CalHome6, CalHome12, State HOME, HRPP, BEGIN

2018 HUD Annual Action Plan Process



Community Workshop #2: 6pm Tuesday, January 9, 2018
Merced Senior Center - 755 W. 15th Street

Community Workshop #3: 3pm Thursday, February 1,
2018 Sam Pipes Room – 678 W. 18th Street

Application Deadline: 5pm, Friday February 9, 2018

Public Hearing for 2018/19 HUD AAP:
April 16, 2018 – Council Chambers – 678 W. 18th Street



Any Questions?

Thank you!



CITY OF MERCED

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

ADMINISTRATIVE REPORT

Agenda Item I.2.

Meeting Date: 1/2/2018

Report Prepared by: Frank Quintero, Director of Economic Development

SUBJECT: Status Report Regarding the City-Owned Property in the Airport Industrial Park

REPORT IN BRIEF

Oral update concerning the 66-acres owned by the City in the Airport Industrial Park.

RECOMMENDATION

Information-Only

CITY COUNCIL PRIORITIES

Adopted Budget FY 2017-2018, Economic Development Department, Goal #3, "Find a company to market, prepare plans, for virtual buildings, and eventually construct a speculative building for City-owned properties in the Airport Industrial Park."

DISCUSSION

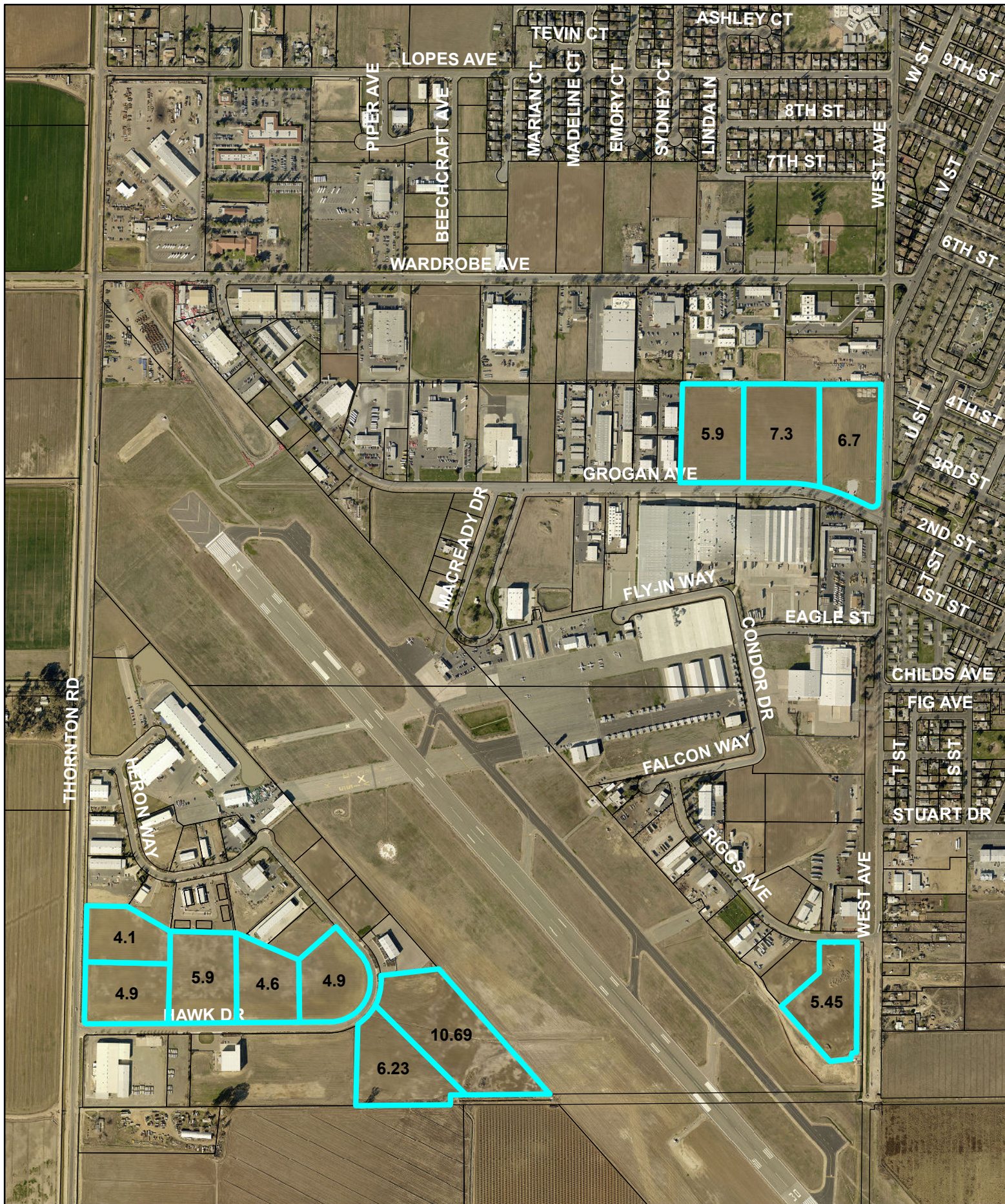
The City of Merced owns 11 parcels in the Airport Industrial Park located on Grogan Avenue, Hawk Drive, and Riggs Avenue totaling ±66-acres (Attachment 1.) If merged, the parcels would be grouped as follows:

Group Location	Number of Parcels	Acres
Grogan Avenue	3	±20
Hawk Drive North	5	±24
Hawk Drive South	2	±17
Riggs Avenue	1	± 5

Staff will provide an oral update regarding the activity taking place at the Airport Industrial Park relative to the marketing of the City-owned properties.

ATTACHMENTS

1. Airport Industrial Park - City Owned Properties



City of Merced Airport Industrial Park
City Owned Parcels
+/- 66 Acres

N



Inventing California's Future



ADMINISTRATIVE REPORT

Agenda Item I.3.

Meeting Date: 1/2/2018

Report Prepared by: Kim Espinosa, Planning Manager, Development Services Department

SUBJECT: Adoption of Merit-Based Selection Criteria for Commercial Cannabis Business Permits (Limited Number of Permits Available)

REPORT IN BRIEF

The City Council is being asked to adopt, by resolution, the Merit-Based Selection Criteria for Commercial Cannabis Business Permits for which there are a limited number of permits available. Dispensaries/retail sales are limited to four in the recently adopted Ordinance.

RECOMMENDATION

City Council - Adopt a motion adopting **Resolution 2018-01**, a Resolution of the City Council of the City of Merced, California, approving Merit-Based Selection Criteria for Scoring Commercial Cannabis Business Permit Applications for which there are a limited number of permits available.

ALTERNATIVES

1. Approve the resolution as recommended by City staff; or,
2. Approve a modified resolution as revised by the City Council; or,
3. Deny the request; or,
4. Refer back to staff for reconsideration of specific items (specific items to be addressed in City Council motion); or,
5. Continue to a future City Council meeting (date and time to be specified in City Council motion).

AUTHORITY

Section 20.44.170(L)(c) of recently adopted Ordinance No. 2480 calls for the establishment of a merit-based scoring system to objectively award commercial cannabis business permits for which there are a limited number of permits available.

CITY COUNCIL PRIORITIES

On March 29, 2017, the City Council held a study session on priorities and medical marijuana regulations were listed under "City Administration-Current Projects."

DISCUSSION

Background

On November 20, 2017, the City Council introduced Ordinance No. 2480 which established regulations for Commercial Cannabis Businesses and the cultivation of cannabis for personal use in

the City of Merced. The Ordinance was adopted on December 4, 2017, and will be effective 30 days later on January 3, 2018.

Ordinance No. 2480 included Section 20.44.170(L)(c), which set forth that a merit-based scoring system is to be established to objectively award commercial cannabis business permits for which there are a limited number of permits available. Merced's Ordinance allows only four (4) Commercial Cannabis Business Permits for dispensaries/ retail sales.

Draft Merit-Based Selection Criteria

Draft versions of the Merit-Based Selection Criteria were included in the Planning Commission staff report for its consideration of the Draft Ordinance on November 8, 2017, and in the City Council Administrative Report for its consideration of the Draft Ordinance on November 20, 2017. However, at that time, the Planning Commission and City Council were not asked to adopt the Criteria, but only to provide comments on the drafts. The only comments received from the Planning Commission and City Council were to try to provide a "local preference" in the Criteria. City staff also received some comments from members of the public and the cannabis industry relating to the Criteria.

Based on the input received and after extensive review by City staff (including Planning and City Attorney staff) and SCI Consulting, a revised draft of the Merit-Based Selection Criteria is now available at Exhibit A of the City Council Resolution (Attachment 1). The revised Draft includes a number of the suggestions described above. Points have been added to address a preference for City residents as owners and employees, with a smaller number of points also available for those within Merced County or within 100 miles of Merced in some categories. Please note that the points are cumulative. For example, in Section 5, there are points awarded for prior experience with 1 point for 6 months to 1 year, 1 point for 1 to 3 years, 1 point for 3 to 5 years, and 2 points for over 5 years. Therefore, if an applicant has over 5 years of experience (Criteria 5d), they would be awarded a total of 5 points.

SCI and City staff believes that the draft Criteria provides a good balance between the desire to have highly successful cannabis businesses, to address neighborhood concerns, and to have preferences for local businesses. The City Council is being asked to review the Draft Criteria, provide any comments or suggestions, and then adopt the Resolution at Attachment 1.

IMPACT ON CITY RESOURCES

No appropriation of funds is needed. However, adoption of the Ordinance (and the Merit-Based Selection Criteria) will likely increase the time commitments of City staff toward cannabis activities at the expense of other priorities or projects. Depending on the level of interest, the number of applications for Commercial Cannabis Business Permits may be significant, impacting mostly Planning Division staff, but will also impact the City Manager's office, the Police Department, Finance Department, and others. Ongoing resources will also need to be devoted to inspections and regulatory and enforcement activities of approved Commercial Cannabis businesses.

On December 18, 2017, the City Council was asked to adopt application fees to cover the cost of processing the Commercial Cannabis Business Permits and annual regulatory fees to cover the costs of ongoing inspections. A ballot measure to consider a tax related to cannabis is also

anticipated in 2018.

ATTACHMENTS

1. City Council Resolution with Selection Criteria as Exhibit A

RESOLUTION NO. 2018-_____

**A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF MERCED, CALIFORNIA,
APPROVING MERIT-BASED SELECTION
CRITERIA FOR SCORING COMMERCIAL
CANNABIS BUSINESS PERMIT APPLICATIONS
FOR WHICH THERE ARE A LIMITED NUMBER
OF PERMITS AVAILABLE**

WHEREAS, the City Council of the City of Merced held a noticed public hearing on November 20, 2017, on proposed Ordinance No. 2480, at which time all those interested in the matter were provided the opportunity to speak or provide written or oral testimony regarding proposed Ordinance No. 2480, which amended the Zoning Ordinance (Title 20 of the Merced Municipal Code) to regulate all commercial cannabis activities and the cultivation of cannabis for personal use in the City of Merced; and

WHEREAS, after hearing all the evidence and testimony, on November 20, 2017, the City Council introduced Ordinance No. 2480. Ordinance No. 2480 was subsequently adopted on December 4, 2017, and will become effective 30 days later on January 3, 2018; and

WHEREAS, Ordinance No. 2480 included Section 20.44.170(L)(1), which sets forth a selection process for Commercial Cannabis Business Permits for Dispensaries/Retail Sales for which there is a limited number (4) of permits available. This selection process is based on the recommendations of a Selection Panel composed of the City Manager, Chief of Police, and Director of Development Services, or their designees, using a merit-based scoring system to be established by the City to objectively award permits to be used in the event that there are more applications than there are permits available.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MERCED AS FOLLOWS:

SECTION 1. That certain document entitled “Merit Based Selection Criteria for Commercial Cannabis Business Permits (Limited Number of Permits Available)”, attached hereto as Exhibit “A,” is hereby approved.

SECTION 2. The criteria herein shall become effective upon the date of this Resolution.

PASSED AND ADOPTED by the City Council of the City of Merced at a regular meeting held on the ____ day of _____ 2018, 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:

K. Hines 12/6/17
City Attorney Date

**Merit Based Selection Criteria for Commercial Cannabis Business Permits
(Limited Number of Permits Available)**

<u>Description of Criteria:</u>	<u>Points Awarded</u>	<u>Points Possible</u>
Section 1: Prioritize Medicinal Cannabis Access		
a) Proposal for combined medicinal/adult use dispensary		4
b) Proposal for medicinal only dispensary		3
c) Proposal for non-medicinal/adult use dispensary only		0
d) Proposal includes Delivery Services		2
Section 1: Sub-Total of Points Possible		6
Section 2: Geographical Preference/Neighborhood Relations		
a) Proposed location is over 1,600 to 2,000 feet away from schools (City requires 1,000 feet)		1
b) Proposed location is over 2,000 feet or more away from schools		1
c) Proposed locations is within 1,200 feet of local public transportation		1
d) Proposal includes a process and schedule for at least two public outreach meetings per year that meet City approval		2
e) Business plan includes a schedule for communication and receiving feedback from all entities within 300 feet of the business at least two times a year		2
f) Proposal includes the appointment of an employee as a designated liaison with the neighborhood		1
g) Designated liaison employee is a City resident		1
Section 2: Sub-Total of Points Possible		9
Section 3: Facility Plan		
a) Business is formally associated with a non-retail cannabis or non-cannabis-related (but non-alcohol or tobacco-related) business in the City of Merced		2
b) Proposal includes daily inspection to ensure maintenance of the interior and exterior of the facility (i.e. free of trash, graffiti, etc.)		2
c) Location exceeds City parking requirements by 10% or more		1
d) Business is open more than five days a week at least 6 hours per day		1
e) Location exceeds minimum disabled parking requirements by 100% or more		1
f) Location is within an existing building or facility with an ability to be open for business within 6 months of approval of the CCBP by the City		1
Section 3: Sub-Total of Points Possible		8

Description of Criteria:	Points Awarded	Points Possible
Section 4: Standards and Procedures for the Safe Operation of Facilities:		
a) Proposal includes documented employee safety training program		1
b) Proposal includes documented employee cannabis educational training program		1
c) Business plan includes enhanced security including at least two of the following: panic buttons, dye packets, bulletproof window film (with break strength of 400 lbs. per inch or better), a UL approved safe with a fire rating that is 2-hour 1700 degrees F or better; or motion sensing lighting		2
d) Proposal includes climate controlled environment		1
e) Proposal includes plan for disposal of all solid waste based on best practices of the State		1
f) Proposal includes a comprehensive documented process for 24-hour minimum response time to cannabis product recall notifications		2
g) Proposal includes more than one on-site security guard during business hours		2
h) Proposal includes plans and procedures for how all cannabis products on the premises or held by the applicant have met the testing requirements as defined by the State		1
i) Proposal includes storage of inventory in a safe or vault (i.e. a strong, fireproof cabinet with a complex locking device)		1
j) Proposal includes a separate lobby area where identification is checked to ensure that only qualified individuals gain access to separate, locked areas where cannabis products are displayed		2
k) Proposal includes electronic storage of required records of sales, delivery manifests, patient information (if medicinal and required by State), inventory, etc., which can be provided to City personnel upon request		2
l) Proposal includes participation in web-based public safety application or equivalent that provides law enforcement with confirmation of local and state licenses		1
m) Proposal includes any proposed "green" business practices relating to energy and climate, water conservation, and materials/waste storage		1
n) Proposal includes secured loading/unloading area for deliveries		1
Section 4: Sub-Total of Points Possible		19

<u>Description of Criteria:</u>	<u>Points Awarded</u>	<u>Points Possible</u>
Section 5: Prior Experience in Business Ownership and Management		
a) Combined prior experience of proposed owners is between 6 months to 1 year of verified successful management of a legal retail cannabis facility		1
b) Combined prior experience of proposed owners is more than 1 year and up to 3 years of verified successful management of legal retail cannabis facility		1
c) Combined prior experience of proposed owners is more than 3 years and up to 5 years of verified successful management of legal retail cannabis facility		1
d) Combined prior experience of proposed owners is more than 5 years of verified successful management of legal retail cannabis facility		2
e) Combined prior experience of proposed owners is more than 3 years of verified successful management of any non-cannabis legal retail facility		2
f) Combined prior experience of proposed owners is more than 1 years and up to 3 years with a verified Mutual Benefit Non-Profit Corporation in compliance with California law		1
g) Combined prior experience of proposed owners is more than 3 years and up with a verified Mutual Benefit Non-Profit Corporation in compliance with California law		2
h) Above prior experience was obtained within the City or County of Merced		3
i) Above prior experience was obtained within 100 miles of the City of Merced		1
Section 5: Sub-Total of Points Possible		14
Section 6: Qualifications of Principals/Business Plan		
a) At least one owner is a military veteran with an honorable discharge		1
b) At least one owner is a full-time resident of the City of Merced		3
c) At least one owner is a full-time resident of the County of Merced (excluding the City of Merced)		1
d) Does the business qualify as a Disadvantaged Business Enterprise (DBE) as defined by the U.S. Department of Transportation		1
e) Does the business have documented proof of access to at least \$150,000 in capital (or enough capital to pay all startup costs plus at least 3 months of operating costs)?		3
f) Does the business have documented proof of access to at least \$300,000 in capital (or enough capital to pay all startup costs plus at least 6 months of operating costs)?		3
g) Business Plan contain a valid pro forma for at least 3 years of operation		2
h) Business has documented agreements with cannabis distributors to supply products to their business		2
Section 6: Sub-Total of Points Possible		16

<u>Description of Criteria:</u>	<u>Points Awarded</u>	<u>Points Possible</u>
Section 7: Employee Relations/Community Benefits		
a) The business promotes local hiring or provides incentives for City/County of Merced residents to work with the business		2
b) The business provides employee health benefits for all employees		1
c) The business employs more than 5 people full-time, not counting the owners or security personnel		1
d) Proposal includes an ongoing public information program to inform City residents of cannabis issues and proper/safe/legal use of cannabis products		2
e) Proposal includes benefits to the community, such as defined contributions or donating time to community organizations or charities		2
Section 7: Sub-Total of Points Possible		8
TOTAL POINTS POSSIBLE		80

Applicant Certification (Required)

Under penalty of perjury, I hereby declare that I have read and understood the criteria above and I have provided information relative to how my cannabis business addresses that criteria in the application or attached to this document. I declare that this information is completely true and accurate. I understand that a misrepresentation of fact is cause for rejection of this application, denial of the license, or revocation of a license issued.

Signed _____ Date _____

DISCLAIMER:

Although the City welcomes the applicant to suggest how many points they believe should be awarded in the "Points Awarded" column above, please note that the FINAL determination of how many points are awarded is at the sole discretion of the City's Selection Committee, made up of the City Manager, Police Chief, and the Director of Development Services or their designees. Final scores of the Committee members will be combined and divided by three for an average score. In the event of any tied scores, the Selection Committee will have the sole discretion to determine how to break the tie or to move forward recommendations with tied scores.

PLEASE NOTE THAT FAILURE OF THE PROPOSED OWNERS (ANYONE WITH OWNERSHIP INTEREST) TO SUCCESSFULLY PASS THE DETAILED PHASE 2 BACKGROUND CHECK TO THE SATISFACTION OF THE POLICE CHIEF WILL RESULT IN AUTOMATIC DISQUALIFICATION OF THE APPLICATION FROM FURTHER CONSIDERATION.



ADMINISTRATIVE REPORT

Agenda Item I.4.

Meeting Date: 1/2/2018

Report Prepared by: Ken F. Elwin, PE, Director of Public Works

SUBJECT: Reallocate Measure V Funding, Reconciling Gas Tax Funding, to Fund 022 Street Maintenance/Lighting for the FY 2017/2018 Budget

REPORT IN BRIEF

Considers reallocating Measure V funding, reconciling Gas Tax funding to Fund 022 Street Maintenance/Lighting Fund for street maintenance and transportation related projects.

RECOMMENDATION

City Council - Adopt a motion approving the reallocation of Measure V Funds, reconciling the Gas Tax Funds, and authorizing the Interim Finance Officer to make the necessary budget adjustments.

ALTERNATIVES

1. Approve, as recommended by staff; or,
2. Approve, subject to modifications as conditioned by City Council; or,
3. Refer to staff for reconsideration of specific items; or,
4. Deny.

AUTHORITY

Article XI, Fiscal Administration of the Merced Municipal Code - At any meeting after the adoption of the budget the City Council may amend or supplement the budget by motion adopted by the affirmative votes of at least five members.

CITY COUNCIL PRIORITIES

Addresses City Council priority to utilize Measure V funding.

DISCUSSION

Road repair projects, including fixing potholes and repairing sidewalks, are administered through the Public Works Streets Department. The department is funded through a various revenue sources, including Gas Tax as a major component. Unfortunately, revenue from Gas Tax has been declining over the past few years, leaving the Streets Department with insufficient revenue to meet the City's street, lighting, and sidewalk maintenance needs.

With the passage of Measure V and Senate Bill 1 (SB1), two additional revenue sources are available to support road repair projects. Measure V, which voters approved in November 2016, created a ½ cent sales tax to provide funding for transportation projects. SB 1 approved in Spring of 2017 addresses basic road maintenance, rehabilitation, and safety projects and is known as the

Road Repair and Accountability Act of 2017, of which funding is administered through the Road Maintenance and Rehabilitation Account (RMRA).

Based on the information available during preparation of the FY 2017/2018 budget, RMRA funding was included in revenue estimates for Fund 022 Street Maintenance/Lighting Fund aiding to bridge the shortfall in Gas Tax revenue. In the fall of 2017, the State adopted guidelines specific to the use of RMRA funding which requires eligible cities to approve a project list as part of their budget. The City's FY 17/18 Project List was adopted by Council in October 2017. Since the RMRA funds must be utilized for specific projects, a budget adjustment must be made in the FY 2017/2018 Fund 022 Street Maintenance/Lighting Fund. This action will create a funding gap of \$484,186.

Merced County Association of Governments (MCAG) has projected the City's share of Measure V funding to be approximately \$1,500,000 in the first year. Measure V requires that 80% of revenue be used for local transportation and 20% be used for alternative modes projects. During the adoption of the Fiscal Year 2017-18 budget one Fund was established for Measure V. It has now been determined that the best method of keeping the revenue separate is to create two funds. Fund 075 will be for alternative modes and Fund 078 will be for local transportation. Staff are requesting that 80% of the revenue and expense budget from Fund 075 be allocated to Fund 078 to accurately reflect the local transportation portion. In FY 16-17 the City received Measure V funding of \$405,785 that has not been budgeted, \$81,157 will be allocated to alternative modes and \$324,628 will be for local transportation.

Council previously approved the funding of a joint project through MCAG to complete a Pavement Management System. The Pavement Management System will evaluate current road conditions and recommend specific treatments needed to improve roads throughout the City. This information, along with stakeholder engagement, will be used to develop as list of recommended project for Council consideration as future funding is made available.

Staff now have a better understanding of how to utilize RMRA funding in the future to maximize support to the Streets Maintenance/Lighting Budget. However, staff recommends the following budget adjustments to reconcile Fund 022, Streets Maintenance/Lighting, and to allow for staff to engage in fixing potholes and repairing unsafe areas of sidewalk while the pavement management evaluation is completed for fiscal year 2017/18:

Action	Justification	Amount
Reduce Transfer to Fund 022	SB 1 Project Allocation	(\$484,186)
Reduce Transfer to Fund 022	Less Revenue Received Gas Tax - Fund 010	(\$41,339)
Increase Transfer to Fund 022	Additional Revenue Received Gas Tax - Fund 065	\$14,470
No Action	Prior Year Savings - Fund 022	\$8,032
	Estimated Shortfall	(\$503,023)
Increase Transfer to Fund 022	Measure V Alternative Modes - Fund 075	\$100,000
Increase Transfer to Fund 022	Measure V Local Transportation - Fund 078	\$403,023
	Recommended Revenue Increase	\$503,023

	Balance	\$0

In the Spring, the City Manager will present a mid-year budget. Any additional funding available from Measure C could be used at that time to lessen the impact of the recommended Measure V funding allocated above.

IMPACT ON CITY RESOURCES

The City's Finance Department has verified there is sufficient funding available within Measure V Local Transportation Fund 078 to complete this request.