



# 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

Monday, May 18, 2020

6:00 PM

City Council Chamber, 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

In-person Council Meetings will have strict social distancing practices in place and the use of face coverings is encouraged. Seating in the Council Chamber will be limited and an overflow room will be available with the same social distancing practices in place.

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

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

#### MODIFIED PUBLIC COMMENT INSTRUCTIONS

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.

For at risk individuals or those not wanting to attend an in-person meeting during the current Covid-19 pandemic, please submit your public comment to the City Council electronically no later than 1:00 PM on the day of the meeting. Comments received before the deadline will be read as part of the record. Material may be emailed to [cityclerk@cityofmerced.org](mailto:cityclerk@cityofmerced.org) and should be limited to 300 words or less. Please specify which portion of the agenda you are commenting on, for example, Closed Session, item # or Oral Communications. Your comments will be presented to the City Council at the appropriate time. Any correspondence received after 1:00 PM will be distributed to the City Council and retained for the official record.

You may provide telephonic comments via voicemail by calling (209) 388-8688 by no later than 1:00 PM on the day of the meeting to be added to the public comment. Voicemails will be limited to a time limit of three (3) minutes. Please specify which portion of the agenda you are commenting on, for example, Public Hearing item #, Consent item #, or Oral Communications. Your comments will be played during the meeting to the City Council at the appropriate time.

To view video (if available) or listen to the City Council meeting live, go to the City's website [www.cityofmerced.org](http://www.cityofmerced.org), Facebook Live, or Comcast Public Access Channel 96.

## 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

The legislative body shall provide the public with an opportunity to address the body on any item described in Closed Session [Government Code Section 54954.3(a)]. Please see the **MODIFIED PUBLIC COMMENT INSTRUCTIONS** for details.

- B.1.** [20-218](#) **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.** [20-219](#) **SUBJECT:** CONFERENCE WITH LABOR NEGOTIATORS -- Agency Designated Representative: City Manager Steve Carrigan; Employee Organizations: Merced Association of Police Sergeants. **AUTHORITY:** Government Code Section 54957.6
- B.3.** [20-220](#) **SUBJECT:** CONFERENCE WITH LABOR NEGOTIATORS -- Agency Designated Representative: City Manager Steve Carrigan; Employee Organizations: Merced Police Officers' Association (MPOA). **AUTHORITY:** Government Code Section 54957.6
- B.4.** [20-254](#) **SUBJECT:** PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Title: City Manager; Authority: Government Code Section 54957

### C. CALL TO ORDER

C.1. Invocation - Monika Grasley, Lifeline Community Development

C.2. Pledge of Allegiance to the Flag

### D. ROLL CALL

D.1. In accordance with Government Code 54952.3, it is hereby announced that the City Council sits either simultaneously or serially as the Parking Authority and 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. CEREMONIAL MATTERS**

F.1. [20-246](#)      **SUBJECT:** Proclamation - National Public Works Week

### **REPORT IN BRIEF**

Received by a representative of the Public Works Department.

## **G. WRITTEN PETITIONS AND COMMUNICATIONS**

## **H. ORAL COMMUNICATIONS**

Members of the public who wish to speak on any matter not listed on the agenda may speak during this portion of the meeting and will be allotted 3 minutes. 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.

Members of the public who are high risk or do not wish to attend an in-person meeting due to the Covid-19 pandemic may provide email or voicemail comments for this portion of the meeting and should follow the guidelines posted above in the **MODIFIED PUBLIC COMMENT INSTRUCTIONS** to do so.

## **I. 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 (please see **MODIFIED PUBLIC COMMENT INSTRUCTIONS** above). If a request for removal of an item from the Consent Calendar has been received, the item will be discussed and voted on separately.

I.1. [19-755](#)      **SUBJECT:** Reading by Title of All Ordinances and Resolutions

### **REPORT IN BRIEF**

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

**RECOMMENDATION**

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

I.2. [20-253](#)

**SUBJECT:** Approval of City Council/Public Financing and Economic Development/Parking Authority Meeting Minutes of April 20, 2020

**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 April 20, 2020.

I.3. [20-212](#)

**SUBJECT:** Approval of Measure V Local Funding Agreement with Merced County Association of Governments (MCAG) to Receive Measure V Funds for Fiscal Years 2020/2021 and 2021/2022

**REPORT IN BRIEF**

Considers authorizing a Measure V Local Funding Agreement with Merced County Association of Governments to receive Measure V funds for two consecutive fiscal years.

**RECOMMENDATION**

**City Council** - Adopt a motion approving the Measure V Local Funding Agreement with Merced County Association of Governments; and, authorizing the City Manager or the Assistant City Manager to execute the necessary documents.

I.4. [20-213](#)

**SUBJECT:** Approval of Agreement for Professional Services with Hoffman Electronic Systems, in the Annual Amount of \$21,012, for Electronic Monitoring Services at City Owned-Facilities, for a Two (2) Year Term Beginning July 1, 2020 Through June 30, 2022, with an Option to Extend for Three (3) Additional One (1) Year Term(s)

**REPORT IN BRIEF**

Considers approving an agreement with Hoffman Electronic Systems, in the annual amount of \$21,012, for electronic monitoring services at city owned-facilities.



**RECOMMENDATION**

**City Council** - Adopt a motion approving the Agreement for Professional Services with Hoffman Electronic Systems, in the annual amount of \$21,012, for electronic monitoring services at City owned-facilities for a two (2) year period, with an option to renew for a maximum of three (3) additional one (1) year periods; and, authorizing the City Manager or the Assistant City Manager to execute the necessary documents.

**I.5.**     [20-233](#)

**SUBJECT:** Adoption of Resolution Terminating the Local Emergency Declared by the Director of Emergency Services on March 13, 2020 Pursuant to Merced Municipal Code Chapter 8.20

**REPORT IN BRIEF**

Asking the City Council to Terminate the Local Emergency Declared by the Director of Emergency Services.

**RECOMMENDATION**

**City Council** - Adopt a motion adopting **Resolution 2020-26**, a Resolution of the City Council of the City of Merced, California, Terminating the Local Emergency Declared by the Director of Emergency Services on March 13, 2020 Pursuant to Merced Municipal Code Chapter 8.20.

**I.6.**     [20-230](#)

**SUBJECT:** Adoption of Resolution Approving a One Time Utility Rebate of \$25.00 for Each Residential, Commercial, and Industrial Water and Sewer Service on the June Water and Sewer Statement

**REPORT IN BRIEF**

Considers providing a utility rebate to all water and sewer customers.

**RECOMMENDATION**

**City Council** - Adopt a motion:

A. Adopting **Resolution 2020-27**, a Resolution of the City Council of Merced, California, authorizing the City Manager to provide economic assistance related to the economic impacts of COVID-19: and,

B. Authorizing the Finance Officer to administer the rebates.

**I.7.**     [20-188](#)

**SUBJECT:** Adoption of Resolution Approving the Deferral for 90 Days Transient Occupancy Tax Payments for the First Calendar Quarter for Qualifying Owners/Operators as Requested by the Merced Hotel Motel

Association

**REPORT IN BRIEF**

Considers deferring payment of Transient Occupancy Tax (TOT).

**RECOMMENDATION**

**City Council** - Adopt a motion:

A. Adopting **Resolution 2020-20**, a Resolution of the City Council of Merced, California, authorizing the City Manager to provide economic assistance related to the economic impacts of COVID-19: and,

B. Authorizing the Finance Officer to administer the deferrals.

**J. PUBLIC HEARINGS**

Members of the public who wish to speak on public hearings listed on the agenda will be heard when the Public Hearing is opened, except on Public Hearing items previously heard and closed to public comment. After the public has commented, the item is closed to further public comment and brought to the Council for discussion and action. Further comment will not be received unless requested by the Council. For members of the public at high risk or who do not wish to attend an in-person meeting due to the current Covid-19 pandemic, but wish to submit comments to the City Council, please review the **MODIFIED PUBLIC COMMENT INSTRUCTIONS** listed above.

**J.1.** [20-207](#)

**SUBJECT:** Public Hearing to Consider Adoption of Resolution Approving Substantial Amendments to the 2015-2020 Consolidated Plan and Program Year 2019-2020 Annual Action Plan to Identify and Allocate Additional Funds Made Available Through the Coronavirus Aid, Relief, and Economic Security Act, and to Reallocate 2019-2020 Community Development Block Grant (CDBG) Funds; and, Approval of an Amendment to the Citizen Participation Plan to Add Federally-Declared Disaster Exceptions

**REPORT IN BRIEF**

Considers expedited substantial amendments to the current Consolidated and Annual Action Plans for identification and allocation of HUD CDBG-CV funds to prevent, prepare for, and respond to the COVID-19 Coronavirus; and, considers other substantial amendments to the 2019-2020 Annual Action Plan necessary to realign current and planned activities that will occur this program year; and, considers an amendment to the adopted Citizen Participation Plan to add HUD exception guidelines for Federally-declared emergencies.

**RECOMMENDATION**

**City Council** - Adopt a motion:

A. Adopting **Resolution 2020-25**, a Resolution of the City Council of the City of Merced, California, approving an amendment to the City of Merced Fiscal Year 2015-2020 Consolidated Plan and Amendment #2 to the Program Year 2019-2020 Annual Action Plan to allocate the additional funds made available through the Coronavirus, Aid, Relief, and Economic Security Act reallocating Fiscal Year 2019-2020 CDBG funding towards COVID-19 Coronavirus response; approving amendments to the Citizen Participation Plan; authorizing the City Manager or Assistant City Manager to execute any related documents and/or sub-recipient agreements resulting from this allocation; certifying compliance with the requirements of the Community Development Block Grant (CDBG) Program, and authorizing staff to submit all approved documents to the U.S. Department of Housing and Urban Development and,

B. Approving a Substantial Amendment to the Fiscal Year 2015-2020 Consolidated Plan to amend the Plan to accommodate new Community Development Block Grant Coronavirus (CDBG-CV) funding resources allocated to the City by HUD in the amount of \$661,246; and,

C. Approving the Amendment #2 to the Program Year 2019-2020 Annual Action Plan for the insertion of new goals and priorities that prevent, prepare for, and respond to the Coronavirus, and amending the 2019-2020 Program Funding to add the anticipated funding resource to the current program year; and,

D. Approving the Amendments to the Citizen Participation Plan that establishes amended public notice, public review and comment, and citizen participation procedures during times of federally-declared disasters or other unforeseen events when HUD provides opportunity for waiver of Citizen Participation Plan Requirements; and,

E. Appropriating \$500,000 of new CDBG-CV resources to fund Economic Development activities, including any necessary administration, oversight, and management of related projects; and,

F. Appropriating \$100,000 of new CDBG-CV resources to fund Public Services Subsistence Payments activities that assist with arrears payments of past due rents, mortgages, and electricity/gas utility bills; and,

G. Appropriating the remaining \$61,246 of new CDBG-CV resources to fund Public Services Food Bank activities that assist with operating costs

of food banks or other food delivery organizations; and,

H. Appropriating \$38,754 of 2019-2020 CDBG Unanticipated Program Income to fund Public Service Food Bank activities that assist with operating costs of food banks or other food delivery organizations; and,

I. Reallocating \$81,565 of 2019-2020 CDBG funds from Development Projects/HUD 108 Loan Payment to Public Service activities (project to be determined); and,

J. Reallocating \$4,920 of 2019-2020 CDBG funds from Public Services/First Time Home Buyer Classes to Public Services activities (project to be determined); and,

K. Reallocating \$30,000 for funding of Project Sentinel-Fair Housing activities from 2019-2020 CDBG Public Services funds to HOME Administrative Funds; and,

L. Authorizing the City Manager or the Assistant City Manager to execute all associated documents and agreements; and,

M. Authorizing the Finance Officer to make any necessary budget adjustments.

**J.2.**     [20-173](#)

**SUBJECT:** Public Hearing for Potential Introduction of Ordinance Adding Chapter 17.64, "Electric Vehicle Charging Systems," to the Merced Municipal Code, Including Definitions, Permitting Process and Installation Requirements

**REPORT IN BRIEF**

Considers adding Section 17.64 of Merced Municipal Code. Sections 17.64.010 Definitions, 17-64.020 Permitting Process, and 17.64.030 Installation Requirements.

**RECOMMENDATION**

**City Council** - Adopt a motion introducing **Ordinance 2515**, an Ordinance of the City Council of the City of Merced, California, Adding Chapter 17.064, "Electric Vehicle Charging Systems" of the Merced Municipal Code.

**J.3.**     [20-248](#)

**SUBJECT:** Public Hearing - Vacation No. 20-01 for the Adoption of a Resolution Ordering the Vacation of a Sewer Lift Station Easement,

Temporary Construction Access Easement, and a Public Utilities  
Easement Generally Located at the West End of the Property Located  
at 1610 West 16th Street

**REPORT IN BRIEF**

Continue the public hearing to June 1, 2020, for a request to vacate a 908-square-foot sewer lift station easement, a 980-square-foot temporary construction easement for the sewer lift station, and a 2,791-square-foot public utilities easement generally located on the west end of the property located at 1610 West 16th Street.

**RECOMMENDATION**

**City Council** - Open the Public Hearing and adopt a motion continuing the Public Hearing to the meeting of June 1, 2020.

**K. REPORTS**

**K.1.**     [20-240](#)

**SUBJECT:** Report to Council on for an Update Measures to Assist  
Local Businesses and Residents Through a the Proposed COVID-19  
Recovery Plan

**REPORT IN BRIEF**

Report from Staff and the Council Subcommittee regarding an update on the proposed COVID-19 Recovery Plan to assist local businesses and residents due to the COVID-19 pandemic.

**RECOMMENDATION**

Provide additional direction to staff on the refined elements that have been included in the proposed COVID-19 Recovery Plan for future Council adoption and implementation.

**K.2.**     [20-171](#)

**SUBJECT:** Report to Council on Recently Completed, Current, and  
Upcoming Street Projects

**REPORT IN BRIEF**

Updates on the City's street projects.

**RECOMMENDATION**

For Information Only.

**K.3.**     [20-138](#)

**SUBJECT:** Adoption of Resolution Approving the Fiscal Year  
2020/2021 Project List for the Road Repair Accountability Act (SB 1)  
and Council Prioritization of SB1 and Measure V Local Street Projects

for the Fiscal Year 2020/2021

**REPORT IN BRIEF**

Requests the City Council to approve the list of projects proposed to be funded with Road Maintenance and Rehabilitation Account (RMRA) funds pursuant to SB1 for FY 2020/2021, and requests City Council prioritization of Fiscal Year (FY) 2020/2021 SB1 and Measure V local projects.

**RECOMMENDATION**

**City Council** - Adopt a motion selecting Projects for the FY 2020/2021 Project List (SB1) and Prioritizing FY 2020/2021 Projects and approving **Resolution 2020-18**, A Resolution of the City Council of the City of Merced, California, Approving the "FY 2020-2021 Project List" for the Road Repair and Accountability Act (SB1), Local Streets and Roads Funding for Fiscal Year 2020-2021".

**K.4.**    [20-226](#)

**SUBJECT:** Review, Discussion and Direction Regarding the City of Merced Fiscal Year 2020-21 Budget

**REPORT IN BRIEF**

Review of the City Manager's proposed FY 2020-21 Budget.

**RECOMMENDATION**

For information and discussion only.

**L. BUSINESS**

**L.1.**    [20-210](#)

**SUBJECT:** Request to Add Item to Future Agenda

**REPORT IN BRIEF**

Provides members of the City Council to request that an item be placed on a future City Council agenda for initial consideration by the City Council.

**L.2.**    [20-211](#)

**SUBJECT:** City Council Comments

**REPORT IN BRIEF**

Provides an opportunity for the Mayor and/or Council Member(s) to make a brief announcement on any activity(ies) she/he has attended on behalf of the City and to make a brief announcement on future community events and/or activities. The Brown Act does not allow discussion or action by the legislative body under this section.

## **M. ADJOURNMENT**



# CITY OF MERCED

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

## ADMINISTRATIVE REPORT

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**Agenda Item B.1.**

Meeting Date: 5/18/2020

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**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

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**Agenda Item B.2.**

Meeting Date: 5/18/2020

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**SUBJECT:** CONFERENCE WITH LABOR NEGOTIATORS -- Agency Designated Representative:  
City Manager Steve Carrigan; Employee Organizations: Merced Association of Police Sergeants.  
**AUTHORITY:** Government Code Section 54957.6



# CITY OF MERCED

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

## ADMINISTRATIVE REPORT

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**Agenda Item B.3.**

Meeting Date: 5/18/2020

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**SUBJECT:** CONFERENCE WITH LABOR NEGOTIATORS -- Agency Designated Representative:  
City Manager Steve Carrigan; Employee Organizations: Merced Police Officers' Association  
(MPOA). AUTHORITY: Government Code Section 54957.6



# CITY OF MERCED

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

## ADMINISTRATIVE REPORT

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**Agenda Item B.4.**

Meeting Date: 5/18/2020

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**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

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**Agenda Item F.1.**

Meeting Date: 5/18/2020

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**SUBJECT:** Proclamation - National Public Works Week

### REPORT IN BRIEF

Received by a representative of the Public Works Department.

### ATTACHMENTS

1. Proclamation



# *Proclamation*

**WHEREAS,** public works professionals focus on infrastructure, facilities and services that are of vital importance to sustainable and resilient communities and to the public health, high quality of life and well-being of the people of the City of Merced; and

**WHEREAS,** these infrastructure, facilities and services could not be provided without the dedicated efforts of public works professionals, who are engineers, managers and employees at all levels of government and the private sector, who are responsible for rebuilding, improving and protecting our nation's transportation, water supply, water treatment and solid waste systems, public buildings, and other structures and facilities essential for our citizens; and,

**WHEREAS,** it is in the public interest for the citizens, civic leaders and children in the City of Merced to gain knowledge of and to maintain a progressive interest and understanding of the importance of public works and public works programs in their respective communities; and,

**WHEREAS,** the year 2020 marks the 60<sup>th</sup> annual National Public Works Week sponsored by the American Public Works Association/Canadian Public Works Association be it now,

**NOW, THEREFORE, I, MIKE MURPHY, Mayor** of the City of Merced, on behalf of the City Council, do hereby recognize and extend appreciation to our dedicated and skilled staff and hereby proclaim the week of May 17 -23, 2020 as **"National Public Works Week"** in the City of Merced and request that all citizens and civic organizations acquaint themselves with the issues involved in providing public works services to our community and to recognize the contributions our Public Works employees make every day to our health, safety, comfort and quality of life.

Signed this 18<sup>th</sup> day of May, 2020.

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*Mike Murphy, Mayor of Merced*



# CITY OF MERCED

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

## ADMINISTRATIVE REPORT

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**Agenda Item I.1.**

Meeting Date: 5/18/2020

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**SUBJECT:** Reading by Title of All Ordinances and Resolutions

### REPORT IN BRIEF

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

### RECOMMENDATION

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



## ADMINISTRATIVE REPORT

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**Agenda Item I.2.**

Meeting Date: 5/18/2020

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**SUBJECT:** Approval of City Council/Public Financing and Economic Development/Parking Authority Meeting Minutes of April 20, 2020

### 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 April 20, 2020.

### ALTERNATIVES

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

### ATTACHMENTS

1. Minutes of April 20, 2020



# 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

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Monday, April 20, 2020

6:00 PM

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#### A. CLOSED SESSION ROLL CALL

**Clerk's Note:** Council Members BLAKE and SHELTON arrived at 5:15 PM.

**Present:** 7 - Mayor Mike Murphy, Mayor Pro Tempore Matthew Serratto, Council Member Kevin Blake, Council Member Fernando Echevarria, Council Member Anthony Martinez, Council Member Jill McLeod, and Council Member Delray Shelton

**Absent:** 0

#### B. CLOSED SESSION

Mayor MURPHY called the Closed Session meeting to order at 5:02 PM.

**Clerk's Note:** This Closed Session was held via video conference per Governor NEWSOM's Executive Order N-29-20.

- 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; Employee Organizations: Merced Association of Police Sergeants. AUTHORITY: Government Code Section 54957.6
- B.3.** **SUBJECT:** CONFERENCE WITH LABOR NEGOTIATORS -- Agency Designated Representative: City Manager Steve Carrigan; Employee Organizations: Merced Police Officers' Association (MPOA). AUTHORITY: Government Code Section 54957.6

**Clerk's Note:** Council adjourned from Closed Session at 5:48 PM.

#### C. CALL TO ORDER



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

**Clerk's Note:** The Regular Meeting was held via video conference per Governor NEWSOM's Executive Order N-29-20 and roll call votes were taken.

C.1. Invocation - Val Fogelberg, The Church of Jesus Christ of Latter-Day Saints

The invocation was delivered by Val FOGELBERG from The Church of Jesus Christ of Latter-Day Saints.

C.2. Pledge of Allegiance to the Flag

Council Member MARTINEZ led the Pledge of Allegiance to the Flag.

## D. ROLL CALL

**Present:** 7 - Mayor Mike Murphy, Mayor Pro Tempore Matthew Serratto, Council Member Kevin Blake, Council Member Fernando Echevarria, Council Member Anthony Martinez, Council Member Jill McLeod, and Council Member Delray Shelton

**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.

## F. SPECIAL PRESENTATIONS

F.1. Presentation by Economist Dr. Robert Eyler, City of Merced - Economics in Time of COVID-19

President, Economic Forensics and Analytics Professor, Economics, Sonoma State University Dr. Robert EYLER gave a slide show presentation on Economics in Time of COVID-19.

Council and Dr. EYLER discussed COVID-19 effects on housing and unemployment.

F.2. Staff Updates on COVID-19

Assistant City Manager Stephanie DIETZ and Fire Chief Billy ALCORN gave a slide show presentation updating Council on COVID-19.

## G. CEREMONIAL MATTERS

### G.1. SUBJECT: Proclamation - Arbor Day

Mayor MURPHY read the Arbor Day Proclamation.

## H. WRITTEN PETITIONS AND COMMUNICATIONS

There were none.

## I. ORAL COMMUNICATIONS

There was no public input.

## J. CONSENT CALENDAR

Item J.3. Acceptance of the 2019 Housing Element Annual Progress Report, Which Describes the City's Progress in Meeting the City's Share of Regional Housing Needs and the Goals and Priorities of the Housing Element Including Number of Entitlements, Permits, Certificates of Occupancy for all Housing Types; was pulled for separate consideration.

### Approval of the Consent Agenda

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

**Aye:** 7 - Mayor Murphy, Mayor Pro Tempore Serratto, Council Member Blake, Council Member Echevarria, Council Member Martinez, Council Member McLeod, and Council Member Shelton

**No:** 0

**Absent:** 0

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

#### REPORT IN BRIEF

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

#### RECOMMENDATION

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

**This Consent Item was approved.**

- J.2.** **SUBJECT:** Approval of City Council/Public Financing and Economic Development/Parking Authority Meeting Minutes of March 16, 2020

**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 March 16, 2020.

**This Consent Item was approved.**

- J.4.** **SUBJECT:** Adoption of Resolution Setting a Public Hearing for Monday, May 18, 2020, to Vacate an Easement for a Sewer Lift Station (Including a Temporary Construction Easement for the Sewer Lift Station) and a Public Utilities Easement Located on the West End of the Property at 1610 West 16th Street, Generally Located on the South Side of West 16th Street, Approximately 480 Feet East of North Highway 59 (Vacation #20-01)

**REPORT IN BRIEF**

Set a public hearing for May 18, 2020, to vacate a 908-square-foot sewer lift station easement, a 980-square-foot temporary construction easement for the sewer lift station, and a 2,791-square-foot public utilities easement, generally located on the west end of the property located at 1610 West 16th Street.

**RECOMMENDATION**

**City Council** - Adopt a motion adopting **Resolution 2020-17**, a Resolution of the City Council of the City of Merced, California, declaring its intention to vacate a 908-square-foot sewer lift station easement, a 980-square-foot temporary construction easement, and a 2,791-square-foot public utilities easement, generally located on the west end of the property located at 1610 West 16th Street, and setting time and place for Public Hearing.

**This Consent Item was approved.**

- J.5.** **SUBJECT:** Approval of Professional Services Agreement with Tristar Risk Management for Workers' Compensation Third Party Claims Administration and Ancillary Services through June 30,

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2023 in an Annual Base Amount of \$95,000 Plus Additional Fees  
Required for Bill Review

**REPORT IN BRIEF**

Approves Tristar Risk Management as the Workers' Compensation  
Third Party Administrator

**RECOMMENDATION**

**City Council** - Adopt a motion approving the contract for workers' compensation third party administrator for claims administration and ancillary services with Tristar Risk Management and authorizing the City Manager or Assistant City Manager to execute the necessary documents.

**This Consent Item was approved.**

**J.6.**

**SUBJECT:** Approval of First Amendment to the Agreement for  
Labor Relations Consulting to Approve an Additional \$60,000 for  
Labor Contract Negotiations and Employee Related Legal Services  
with Law Firm of Liebert Cassidy Whitmore, for the Not to Exceed  
Amount of \$160,000

**REPORT IN BRIEF**

Considers approving first amendment to the Liebert Cassidy Whitmore Agreement for the not to exceed amount of \$160,000.

**RECOMMENDATION**

**City Council** - Adopt a motion:

A. Approving the first amendment to an agreement for professional services with Liebert Cassidy Whitmore for continuing labor relations consulting, labor contract negotiations, and employee related matters in an amount not to exceed \$160,000; and,

B. Authorizing the Finance Officer to make any necessary budget adjustments; and,

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

**This Consent Item was approved.**

**J.7.**

**SUBJECT:** Approval of Agreement with Hilda Cantu Montoy, Esq. to  
Provide Professional Legal Services to the Personnel Board on an

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As Needed Basis Through June 30, 2024

**REPORT IN BRIEF**

An agreement for professional services between the City of Merced and Personnel Board Attorney Hilda Cantu Montoy.

**RECOMMENDATION**

**City Council** - Adopt a motion approving the updated agreement with Hilda Cantu Montoy in order to continue to provide legal counsel to the Personnel Board.

This Consent Item was approved.

**J.3.**

**SUBJECT:** Acceptance of the 2019 Housing Element Annual Progress Report Which Describes the City's Progress in Meeting the City's Share of Regional Housing Needs and the Goals and Policies of the Housing Element Including Number of Entitlements, Permits, Certificates of Occupancy for All Housing Types

**REPORT IN BRIEF**

Provides the public an opportunity to provide oral testimony and written comments regarding the 2019 Housing Element Annual Progress Report (APR) during the City Council's consideration of the APR.

**RECOMMENDATION**

**City Council** - Adopt a motion accepting the 2019 Housing Element Annual Progress Report.

This item was pulled to allow for public comment.

**Clerk's Note:** The Following Public Comments were provided via email to Council.

Sheng XIONG, Leadership Council, Merced - expressed the need for equitable housing for all income levels and to review the Annual Progress Report and its programs to assess their effectiveness.

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

**Aye:** 7 - Mayor Murphy, Mayor Pro Tempore Serratto, Council Member Blake, Council Member Echevarria, Council Member Martinez, Council Member McLeod, and Council Member Shelton

**No:** 0

Absent: 0

## K. PUBLIC HEARINGS

### K.1. SUBJECT: Public Hearing to Consider Parks and Community Services Facilities and Programs Service Fee Schedule Increases

#### REPORT IN BRIEF

Public Hearing to consider the Parks and Community Services Facilities and Programs fee schedule modification.

#### RECOMMENDATION

**City Council** - Adopt a motion adopting **Resolution 2020-19**, a Resolution of the City Council of the City of Merced, California, approving Parks and Recreation program and service fees.

Recreation and Parks Director Joey CHAVEZ gave a brief presentation on the Parks and Community Services Facilities and Programs Service Fee Schedule Increases.

Council and Mr. CHAVEZ discussed facilities use, moving the effective date to 2021, fees impact on City resources, and the voucher program.

Mayor MURPHY opened and subsequently closed the Public Hearing at 7:32 PM due to lack of public participation.

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

**Aye:** 7 - Mayor Murphy, Mayor Pro Tempore Serratto, Council Member Blake, Council Member Echevarria, Council Member Martinez, Council Member McLeod, and Council Member Shelton

**No:** 0

**Absent:** 0

### K.2. SUBJECT: Public Hearing to Consider the Annexation of Certain Property into CFD No. 14, Calling and Holding a Special Election for Annexation No. 14 into Community Facilities District (CFD) No. 2003-2 (Services) for the Stoneridge South Subdivision and Future Apartment Project; Canvassing the Results of the Election Held within Annexation No. 14 of Said District and Authorizing the Levy of a Special Tax Within Said Annexation No. 14

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**REPORT IN BRIEF**

Hold a public hearing and election for annexation into Community Facilities District No. 2003-2 (Services) for the Stoneridge South Subdivision and Future Apartment Project located east of G Street between Winder Avenue and Mission 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 2020-14**, 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. 14; and,

C. Hold an election; and,

D. Adopt **Resolution 2020-15**, 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. 14 of said District; and,

E. Adopt **Resolution 2020-16**, 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. 14 to said district and authorizing the levy of a special tax within said Annexation No. 14.

Associate Planner Julie NELSON gave a slide show presentation on the Community Facilities District 2003-2 Annexation #14 for the Stoneridge South Subdivision and Future Annexation Area.

Mayor MURPHY opened and subsequently closed the Public Hearing at 7:41 PM due to lack of public comment.

Council Member MARTINEZ and Ms. NELSON discussed developing Winder Avenue.

**A motion was made by Council Member Martinez, seconded by Council Member Blake, to approve Resolution 2020-14. The motion carried by the following vote:**

**Aye:** 7 - Mayor Murphy, Mayor Pro Tempore Serratto, Council Member Blake, Council Member Echevarria, Council Member Martinez, Council Member McLeod, and Council Member Shelton

**No:** 0

**Absent:** 0

Assistant City Clerk John TRESIDDER opened the ballot and announced a yes vote for the Annexation #14 to the Community Facilities District No. 2003-2.

**A motion was made by Council Member Blake, seconded by Council Member Shelton, to approve Resolution 2020-15 and Resolution 2020-16. The motion carried by the following vote:**

**Aye:** 7 - Mayor Murphy, Mayor Pro Tempore Serratto, Council Member Blake, Council Member Echevarria, Council Member Martinez, Council Member McLeod, and Council Member Shelton

**No:** 0

**Absent:** 0

## L. REPORTS

### L.1.

**SUBJECT:** Adoption of Resolution Approving the Stoneridge South Subdivision, Phase 1 - Final Map 5369 for 32 Single-Family Lots, Generally Located on the South Side of Winder Avenue at La Habra Street (extended), and the Approval of the Subdivision Agreement for Stoneridge South, Phase 1

#### REPORT IN BRIEF

Considers the approval of Final Map #5369 for 32 single-family lots, generally located on the south side of Winder Avenue at La Habra Street (extended), and the Subdivision Agreement for Stoneridge South, Phase 1.

#### RECOMMENDATION

**City Council** - Adopt a motion:

A. Approving **Resolution 2020-13**, a Resolution of the City Council of the City of Merced, California, approving the Final Subdivision Map for the Stoneridge South, Phase 1 Subdivision (#5369); and,

B. Approving the Subdivision Agreement for Stoneridge South, Phase 1;



and,

C. Authorizing the City Manager or the Assistant City Manager to execute the subdivision agreement.

Associate Planner Julie NELSON gave a slide show presentation on the Stoneridge South Subdivision Phase 1 Final Map #5369.

Council Member MARTINEZ, Ms. NELSON and City Engineer Michael BELTRAN discussed widening Winder Avenue.

**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:** 7 - Mayor Murphy, Mayor Pro Tempore Serratto, Council Member Blake, Council Member Echevarria, Council Member Martinez, Council Member McLeod, and Council Member Shelton

**No:** 0

**Absent:** 0

## M. BUSINESS

### M.1. **SUBJECT: Proposed COVID-19 Recovery Program Discussion**

#### **REPORT IN BRIEF**

Discussion on the proposed COVID-19 Recovery Program.

#### **RECOMMENDATION**

Provide direction to the City Manager on elements to include in a proposed COVID-19 Recovery Program.

City Manager Steve CARRIGAN gave a brief presentation on the Proposed COVID-19 Recovery Program.

Mayor MURPHY and Council Member BLAKE discussed a concept for Council's consideration for a voucher program.

Council discussed the proposed voucher program, establishing a subcommittee, and funding for the proposed voucher program.

**Clerk's Note:** The Following Public Comments were provided via email to Council.

Sara Hill, Greater Merced Chamber of Commerce - stated the Greater Merced Chamber of Commerce's full support of encouraging local

spending.

Chad ENGLERT, Merced Fire Fighters Local 1479 - expressed supporting local businesses. He also stated his concerns regarding the City's financial health.

Marilyn MOCHEL, Merced - suggested Council should form a Merced Economic Recovery Advisory Group.

**Clerk's Note:** The Following Public Comments were provided via voicemail to Council.

Matt DAVIS, Owner of Crossfit Merced, Merced - requested Council to allow the re-opening of gyms.

Gloria SANDOVAL on behalf of Eduardo CASTRO, Merced - spoke on the issues that people are facing during the pandemic.

Jovanna MORALES, Merced - encouraged Council to keep in mind the disadvantaged communities during the recovery plan.

Brenda GUTIERREZ, Merced - spoke on the issues that people are facing during the pandemic.

Council continued discussion on the proposed voucher program, forming a subcommittee, and direct aid.

A motion was made by Mayor Murphy, seconded by Council Member McLeod, to form a subcommittee with Mayor Murphy, Council Member Blake and Council Member McLeod.

Council continued discussion after the motion.

Council Member MARTINEZ requested to be on the subcommittee.

Mayor MURPHY withdrew his motion.

**A motion was made by Council Member Martinez, seconded by Mayor Pro Tempore Serratto, to direct staff to research the voucher program, the loan program, a utility rebate, and to appoint Mayor Murphy, Council Member McLeod, and Council Member Martinez to a subcommittee. The motion carried by the following vote:**

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

**No:** 1 - Council Member Echevarria

Absent: 0

**M.2.** **SUBJECT: Request to Add Item to Future Agenda**

**REPORT IN BRIEF**

Provides members of the City Council to request that an item be placed on a future City Council agenda for initial consideration by the City Council.

There were no future items added.

**M.3.** **SUBJECT: City Council Comments**

**REPORT IN BRIEF**

Provides an opportunity for the Mayor and/or Council Member(s) to make a brief announcement on any activity(ies) she/he has attended on behalf of the City and to make a brief announcement on future community events and/or activities. The Brown Act does not allow discussion or action by the legislative body under this section.

Council Member MARTINEZ thanked essential workers.

Council Member ECHEVARRIA spoke on the NAACP Virtual Town Hall Meeting.

Mayor MURPHY reported on participating in the NAACP Virtual Town Hall event. He also spoke on his upcoming virtual Town Hall event.

**N. ADJOURNMENT**

**Clerk's Note:** The Regular Meeting was adjourned at 9:16 PM.

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

**Aye:** 7 - Mayor Murphy, Mayor Pro Tempore Serratto, Council Member Blake, Council Member Echevarria, Council Member Martinez, Council Member McLeod, and Council Member Shelton

**No:** 0

**Absent:** 0



## ADMINISTRATIVE REPORT

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### Agenda Item I.3.

Meeting Date: 5/18/2020

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

**SUBJECT:** Approval of Measure V Local Funding Agreement with Merced County Association of Governments (MCAG) to Receive Measure V Funds for Fiscal Years 2020/2021 and 2021/2022

### REPORT IN BRIEF

Considers authorizing a Measure V Local Funding Agreement with Merced County Association of Governments to receive Measure V funds for two consecutive fiscal years.

### RECOMMENDATION

**City Council** - Adopt a motion approving the Measure V Local Funding Agreement with Merced County Association of Governments; and, authorizing the City Manager or the Assistant City Manager to execute the necessary documents.

### ALTERNATIVES

1. Approve as recommended by Staff; or
2. Deny; or,
3. Refer to Staff for further evaluation.

### AUTHORITY

Charter of the City of Merced, Section 200.

### CITY COUNCIL PRIORITIES

Addresses Council's priority of improving local roads, sidewalks, and traffic.

### DISCUSSION

On November 8, 2016, the voters of Merced County approved "Measure V", a one-half cent sales transaction and use tax to supplement transportation roads and alternative transportation project funding. The Measure V transportation sales tax will be in place for 30 years, expiring on March 31, 2047. The Merced County Association of Governments (MCAG) will administer the apportionment of sales tax funds to the County, six Cities and the agreed upon regional areas within Merced County. In order to allow the City of Merced to receive regular apportionments of Measure V funding, the City Council must adopt the attached Measure V Local Funding Agreement.

The Measure V Local Funding Agreement outlines how funds will be apportioned locally, what the local funds can be used for, and the responsibilities of MCAG and the City in programming funds for projects. One-half of the total Measure V funding will be allocated to each jurisdiction through an annual base allocation (\$150,000) and average of proportional shares of population and approved

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road miles. The remaining funds will be allocated to regional projects, with a minimum annual amount allocated to transit projects and to the administration of the measure.

The City will receive two separate allocations on a monthly basis, supplemental funding to augment roads projects and funds for alternative transportation projects. It is estimated that for FY 20/21 the supplemental fund will receive \$1,051,726 and the alternative transportation fund will receive \$262,931 for a total of \$1,314,657.

#### History and Past Actions

On July 17, 2017, City Council approved the Master Recipient Funding Agreement with MCAG for receipt of Fiscal Year 2017/2018 Measure V Funds.

On May 21, 2018, City Council approved the Master Recipient Funding Agreement with MCAG for receipt of Fiscal years 2018/2019 and 2019/2020 Measure V Funds.

#### **IMPACT ON CITY RESOURCES**

Two separate funds have been established to receive and administer Measure V funding. Funds will be allocated to the Streets Department and specific projects as identified and approved by the City Council.

#### **ATTACHMENTS**

1. Measure V Local Funding Agreement
2. Memo

MEASURE V LOCAL FUNDING AGREEMENT  
between  
MERCED COUNTY ASSOCIATION OF GOVERNMENTS  
and the  
CITY OF MERCED

This Measure V Local Funding Agreement ("AGREEMENT"), effective the 1st day of July 2020, is entered into by and between Merced County Association of Governments, a joint powers authority pursuant to California Government Code Section 6500 et seq. (MCAG), and the City of Merced, a municipal corporation ("RECIPIENT").

**RECITALS**

- A. On November 8, 2016, the voters of Merced County, pursuant to the provisions of the Local Transportation Authority and Improvement Act, California Public Utilities Code Section 180000 et seq. ("Act"), approved Measure V, thereby authorizing MCAG to administer the proceeds from the one-half cent transaction and use tax ("Measure V").
- B. The duration of the Measure V transportation sales tax will be 30 years from the initial year of collection, which began April 1, 2017, with said tax to terminate/expire on March 31, 2047. The tax proceeds will be used to pay for the programs and projects outlined in Merced County's 2016 – ½ Cent Transportation Sales Tax Measure Expenditure Plan ("Expenditure Plan"), as it may be amended in accordance with State law.
- C. This AGREEMENT delineates the requirements of the Local Projects funds that are directly allocated to local jurisdictions, as authorized by the Expenditure Plan.

NOW, THEREFORE, it is mutually agreed by and between the parties as follows:

**ARTICLE I – LOCAL PROJECTS FUNDING ALLOCATIONS**

This AGREEMENT authorizes MCAG to allocate the Local Projects funds derived from Measure V receipts in accordance with the voter-approved Expenditure Plan as follows:

- Each jurisdiction (each City and the County) shall be allocated an annual base amount of \$150,000 from the Local Projects funds. The total amount of this base amount will be subtracted from the 50% Local Projects funds before the remainder is allocated.

- The remaining Local Projects funds after the base amount allocation shall be allocated in accordance with the Expenditure Plan based on the average of the jurisdiction's share of the total countywide population and its share of the total countywide publicly maintained road miles. For example, if a jurisdiction has 35% of the population and 75% of the road miles it will be allocated 55% of the funds remaining after the base amounts are allocated.
- 20% of each jurisdiction's total allocation of Local Projects funds shall be used for Alternative Modes projects as outlined in the Expenditure Plan.

**A. LOCAL PROJECTS**

1. Fifty percent (50%) of the Measure V funds collected shall be allocated to Local Projects. The individual local elected city councils and the Merced County Board of Supervisors are the decision-making bodies for the use of their respective allocations of the Local Projects funds within their respective jurisdictions. Each city and the County of Merced shall receive their Local Projects funding allocation as described above consistent with the Expenditure Plan. The goal of the Local Projects funds is to improve the local transportation systems within each individual city and the County of Merced overall. At least twenty percent (20%) of the Local Projects funds each jurisdiction receives shall be used for Alternative Modes projects (see section B).
2. MCAG shall distribute the Local Projects funds pursuant to the formula described above and consistent with the Expenditure Plan. RECIPIENT allocations are subject to change based on variations of annual population figures and percent of road miles pursuant to Article II Paragraph A(2) herein.
3. The Expenditure Plan provides basic fund usage guidelines for RECIPIENT use of the Local Project funds received from the Measure V sales tax. Said guidelines are hereby incorporated into this AGREEMENT by reference.
4. RECIPIENT shall use the reporting tools designated by MCAG to maintain and provide a separate accounting of the Local Projects funds received and any and all expenditures from said funds to ensure that the funds are spent in accordance with the approved Expenditure Plan.
5. RECIPIENT may choose to advance funds for a project, either a project specified in the plan or a project for which they plan to use their Local Projects funds, and to receive reimbursement for that advancement in accordance with the plan. The fund advancement

and reimbursement projections must be approved by a majority vote of the MCAG Governing Board per its Bylaws prior to the jurisdiction proceeding with the project. RECIPIENT may also accumulate funds from their Local Projects allocations over several years to fund higher-cost projects.

6. RECIPIENT shall provide a report to the Citizens Oversight Committee within 60 days of the fiscal year end delineating the Local Projects funds received and how they were spent. In addition, RECIPIENT shall provide documentation as to whether or not the Maintenance of Effort as described in Article II, Paragraph B(4) below, was met.

**B. ALTERNATIVE MODES PROJECTS**

1. At least twenty percent (20%) of the Local Projects funds received by RECIPIENT shall be used for Alternative Modes projects as required in the Expenditure Plan. RECIPIENT may use more than the twenty percent (20%) minimum but not less. The goal of this sub-category of projects is to provide safe alternatives to automobile travel, increase use of alternative modes, and improve air quality and the environment. RECIPIENT may also accumulate funds from their Local Projects allocations over several years to fund higher-cost Alternative Modes projects.
2. This sub-category may be used for projects and programs that provide alternatives to single-occupant vehicle use, increase use of alternative modes, and improve air quality and the environment, including but not limited to the following:
  - Sidewalks, crosswalks, safe routes to schools, ADA curb ramps and other pedestrian projects
  - Bicycle projects
  - Passenger rail
  - Railroad crossing safety improvements
  - Vanpools, carpools or other ridesharing programs or incentives
  - Roundabouts or other air quality improvements
  - Other alternative modes



## **ARTICLE II: PAYMENTS AND EXPENDITURES**

### **A. MERCED COUNTY ASSOCIATION OF GOVERNMENTS (MCAG)**

1. Within 5 business days of actual receipt of the Measure V sales tax revenues from the State Board of Equalization ("BOE"), MCAG shall pay to the RECIPIENT its allocated amount of available Local Projects funds provided that the RECIPIENT is current on expenditure reporting requirements as outlined in Article II, Paragraph B(3). With the payment, MCAG shall provide the RECIPIENT with an itemized breakdown of how the allocation payment was calculated. In the event of non-compliance, MCAG maintains the authority to hold Local Project fund allocations until reporting requirements are met.
2. MCAG shall annually update the Measure V revenue projections and the resulting fund allocation formulas to reflect the most current population using the California Department of Finance's annual population estimates (Report E-1 published annually in May) and the Maintained Miles by jurisdiction as published in the most current California Public Road Data. MCAG shall use the updated Local Projects allocation formulas in the allocations beginning July 1 of each new fiscal year, which is from July 1 to June 30. MCAG shall provide the RECIPIENT prompt notice of any update to the allocation formulas and MCAG's application of the updated formula to the RECIPIENT's allocation.
3. MCAG shall include Measure V Local Projects funds distributed to each RECIPIENT in a quarterly report to the Board of Directors.
4. MCAG shall provide for an independent annual audit of its financial statements including revenues and expenditures and of its calculation of the allocation formula for distributing Measure V revenues to RECIPIENT and the other jurisdictions.
5. MCAG shall provide reasonable notice to RECIPIENT prior to conducting an audit of Local Projects funds received by RECIPIENT to determine whether the RECIPIENT's use of said funds is in compliance with this AGREEMENT and the Expenditure Plan.

### **B. RECIPIENT'S DUTIES AND OBLIGATIONS**

1. RECIPIENT shall use all Local Projects funds received in compliance with the applicable guidelines and plan(s), as they may be adopted or amended by the Board of Directors for MCAG in accordance with applicable law.
2. RECIPIENT shall use and maintain the designated reporting tools to report on funds received and expended. RECIPIENT must account for Local Projects funds, including any interest

received or accrued, separately for each fund type. The accounting system shall provide adequate internal controls and audit trails to facilitate an annual compliance audit for each fund type and the respective usage and application of said funds. MCAG and its representatives and agents shall have the absolute right at any reasonable time to inspect and copy any accounting records related to such funds, except to the extent specifically prohibited by application law.

3. RECIPIENT will use the designated reporting tools to provide MCAG with the required information related to Local Projects funds expenditures according to the following schedule:

<u>Reporting Period</u>	<u>Due Date</u>
July 1 to September 30	October 31
October 1 to December 31	January 31 of following calendar year
January 1 to March 31	April 30
April 1 to June 30	August 31 (60 days are provided for the 4th quarter of each fiscal year)

4. RECIPIENT hereby agrees to the Maintenance of Effort. The enabling legislation in Public Utilities Code Section 180001(e) provides:

*It is the intent of the Legislature that funds generated pursuant to this division be used to supplement and not replace existing local revenues used for transportation purposes.*

If RECIPIENT receives revenues for Local Projects, it shall annually maintain, as a minimum, the same level of local fully discretionary general fund revenues that were expended on average for fiscal years 2013/14, 2014/15, and 2015/16, for transportation purposes.

Dedicated funds for transportation such as gas tax revenues are not counted as general fund revenues. Transfers into the general fund will not be counted as general fund revenues. Grant awards and general fund revenues used as matching funds for grant awards will not be counted as general fund revenues.

5. RECIPIENT hereby agrees to and accepts the formulas used in the allocation of Measure V, as reflected in the Expenditure Plan, and agrees to accept and use the California Department of Finance Estimates of Population figures (Report E-1, updated annual in May)

for California cities and counties and the maintained miles by jurisdiction as published in the most current California Public Road Data for the annual update of the sales tax allocation formulas to begin in each new fiscal year.

**C. OTHER CONSIDERATIONS**

1. Transportation Purposes Only: RECIPIENT shall use all Local Projects funds solely for transportation purposes as defined by the Expenditure Plan. Any jurisdiction that violates this provision, as determined by the MCAG Board, must fully reimburse all misspent funds, including all interest which would have been earned thereon. The interest rate shall not exceed the maximum allowed by law.
2. Staff Cost Limitations: Direct costs associated with the delivery of programs and projects associated with Local Projects funds, including direct staff costs and consultant costs, are eligible uses of said funds. Indirect costs, including, but not limited to, overhead costs such as rent, utilities, and human resources staff, are not allowed.
3. Fund Exchange: Each local jurisdiction shall have the authority to loan Local Projects funds allocated to them to other local jurisdictions for the implementation of needed transportation projects.
4. CEQA: All projects funded with Local Projects funds shall comply with the California Environmental Quality Act (CEQA) and other environmental reviews as required.
5. Promotion: At a minimum, RECIPIENT agrees to promote all projects funded by more than \$50,000 through Measure V with branded signage and is encouraged to use additional means such as news releases, social media, events, or any other tools to communicate to the public that the project was funded by Measure V. For this same category of projects, RECIPIENT also agrees to provide MCAG with at least two (2) photographs of the project, either 1) in progress or 2) before and after completion or some combination thereof.

**ARTICLE III: REPORTING REQUIREMENTS**

**A. REQUIREMENTS AND WITHHOLDING**

RECIPIENT shall comply with each of the reporting requirements set forth below. If RECIPIENT fails to comply with one or more of these requirements, MCAG may withhold payment of further Local Projects funds to RECIPIENT until full compliance is achieved.

1. RECIPIENT shall, by December 31<sup>st</sup> of each year, submit to MCAG at the RECIPIENT's expense, separate independently audited financial statements for the prior fiscal year of Local Projects funds received and used.
2. RECIPIENT shall provide current and accurate information on RECIPIENT's website (if applicable) and to MCAG for the Measure V website, to inform the public about how RECIPIENT is using Local Projects funds.
3. RECIPIENT shall, at least annually, publish an article highlighting a project or program funded by Local Projects funds, or provide information to MCAG's Public Information Officer regarding such project or program for publication.
4. RECIPIENT shall make its administrative officer or designated staff available upon request to render a report or answer any and all inquiries in regard to RECIPIENT's receipt, usage, and/or compliance with audit findings regarding Local Projects funds before the Citizens Oversight Committee.
5. RECIPIENT agrees that MCAG may review and/or evaluate all projects or programs funded pursuant to this AGREEMENT. This may include visits by representatives, agents or nominees of MCAG to observe RECIPIENT's project or program operations, to review project or program data and financial records, and to discuss the project with RECIPIENT's staff or governing body.

#### **ARTICLE IV: OTHER PROVISIONS**

##### **A. INDEMNITY BY RECIPIENT**

Neither MCAG nor its governing body, elected officials, officers, consultants, agents or employees shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by RECIPIENT in connection with the Local Projects funds distributed to RECIPIENT pursuant to this AGREEMENT. It is also understood and agreed, pursuant to Government Code Section 895.4, that RECIPIENT shall fully defend, indemnify and hold harmless MCAG, its governing body, elected officials, officers, agents and employees from any liability imposed on MCAG for injury (as defined in Government Code Section 810.8) occurring by reason of anything done or omitted to be done by RECIPIENT in connection with the Local Projects funds distributed to RECIPIENT pursuant to this AGREEMENT.

**B. INDEMNITY BY MCAG**

Neither RECIPIENT nor its governing body, elected officials, officers, consultants, agents or employees shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by MCAG under or in connection with any work, authority or jurisdiction delegated to MCAG under this AGREEMENT. It is also understood and agreed, pursuant to Government Code Section 895.4, that MCAG shall fully defend, indemnify and hold harmless RECIPIENT, its governing body, elected officials, officers, agents and employees from any liability imposed on RECIPIENT for injury (as defined in Government Code Section 810.8) occurring by reason of anything done or omitted to be done by MCAG under or in connection with any work, authority or jurisdiction delegated to MCAG under this AGREEMENT

**C. JURISDICTION AND VENUE**

The laws of the State of California will govern the validity of this AGREEMENT, its interpretation and performance, and any other claims to which it relates. All legal actions arising out of this AGREEMENT shall be brought in a court of competent jurisdiction in Merced County, California.

**D. ATTORNEY'S FEES**

Should it become necessary to enforce the terms of this AGREEMENT, the prevailing party shall be entitled to recover reasonable expenses and attorney's fees from the other party.

**E. TERM**

The term of this AGREEMENT shall be from July 1, 2020 to June 30, 2022, unless amended in writing or a new Measure V Local Funding Agreement is executed between MCAG and RECIPIENT.

**F. SEVERABILITY**

If any provision of this AGREEMENT is found by a court of competent jurisdiction or, if applicable, an arbitrator, to be unenforceable, such provision shall not affect the other provisions of the AGREEMENT, but such unenforceable provisions shall be deemed modified to the extent necessary to render it enforceable, preserving to the fullest extent permissible the intent of the parties set forth in this AGREEMENT.

**G. ENTIRE AGREEMENT; MODIFICATION**

This AGREEMENT, as well as the referenced Expenditure Plan, constitutes the entire AGREEMENT and supersedes all prior written or oral understandings regarding Local Projects funds. This AGREEMENT may only be modified by a written agreement executed by both parties.

**IN WITNESS WHEREOF**, the parties have executed this AGREEMENT by their duly authorized officers as of the date first written below.

**CITY OF MERCED (RECIPIENT)**

**MERCED COUNTY ASSOCIATION OF GOVERNMENTS  
(MCAG)**

By:

\_\_\_\_\_  
Steven Carrigan  
City Manager

\_\_\_\_\_  
Date

By:

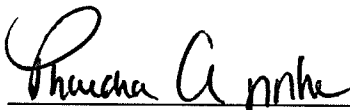
\_\_\_\_\_  
Stacie Guzman  
Executive Director

\_\_\_\_\_  
Date

Approved as to Legal Form:

Reviewed as to Budget/Financial Controls:

By:



\_\_\_\_\_  
Phaedra Norton  
City Attorney

\_\_\_\_\_  
Date

By:

\_\_\_\_\_  
Nav Bagri  
Finance Director

\_\_\_\_\_  
Date

Approved as to Legal Form:

By:

\_\_\_\_\_  
Emily Haden  
Legal Counsel to MCAG

\_\_\_\_\_  
Date

## MEMORANDUM

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DATE: May 6, 2020  
TO: Member Agencies  
FROM: Stacie Guzman, Executive Director  
RE: Notice of Local Project Funding Allocation Formula Update for FY 2020-2021

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### Local Project Funding Allocation Formula

The Measure V Expenditure Plan (Plan), as passed by Merced County voters in November 2016 and amended by the MCAG Governing Board in May 2018, states:

*The funds for the Local Projects program will be allocated annually to local jurisdictions (the Cities and the County) using a formula as follows:*

- 1. A base amount of \$150,000 will be allocated to each jurisdiction;*
- 2. The remaining funds will be allocated based on the average of the jurisdiction's share of the total countywide population and their share of the total countywide public maintained road miles. For example, if a jurisdiction has 35% of the population and 75% of the road miles they will be allocated 55% of the funds remaining after the base amounts are allocated.*

The Local Project Funding agreements executed between each jurisdiction and MCAG state:

*Article I, Paragraph A(2) – Recipient allocations are subject to change based on variations of annual population figures and percent of road miles pursuant to Article II Paragraph A(2) herein.*

*Article II, Paragraph A(2) – MCAG shall annually update the Measure V revenue projections and the resulting fund allocation formulas to reflect the most current population using the California Department of Finance's annual population estimates (Report E-1 published annually in May) and the Maintained Miles by jurisdiction as published in the most current California Public Road Data. MCAG shall use the updated Local Projects allocation formulas in the allocations beginning July 1 of each new fiscal year, which is from July 1 to June 30. MCAG shall provide the RECIPIENT prompt notice of any update to the allocation formulas and MCAG's application of the updated formula to the RECIPIENT's allocation.*

### Allocation Formula Update for FY 2020-21

Based on the direction provided in the Expenditure Plan and current Local Project Funding Agreements summarized above, MCAG updated the Local Projects Funding Allocation formula to be implemented with revenue collected after June 30, 2020. Per the Expenditure Plan and Local Projects Funding Agreements, the update to the allocation formula reflects the most recent changes to population and road miles data.

<b>POPULATION DATA BY JURISDICTION</b>					
	<b>2018 Population</b>	<b>2018 % of Total</b>	<b>2020 Population</b>	<b>2020 % of Total</b>	<b>% Change Population</b>
Atwater	31,235	11.16 %	31,378	11.07 %	0.5 %
Dos Palos	5,679	2.03 %	5,546	1.96 %	- 2.3 %
Gustine	5,874	2.10 %	5,875	2.07 %	0.2 %
Livingston	14,328	5.12 %	15,052	5.31 %	5.1 %
Los Banos	40,986	14.64 %	41,923	14.79 %	2.3 %
Merced	86,750	30.98 %	88,120	31.08 %	1.6 %
County of Merced	95,125	33.98 %	95,627	33.73 %	0.5 %
Total Population	279,977	100 %	283,521	100 %	1.3 %

<b>ROAD MILES DATA BY JURISDICTION</b>					
	<b>2016 Road Miles</b>	<b>2016 % of Total</b>	<b>2018 Road Miles</b>	<b>2018 % of Total</b>	<b>% Change Road Miles</b>
Atwater	103.70	3.64 %	96.12	3.84 %	- 7 %
Dos Palos	22.83	0.81 %	22.83	0.91 %	0 %
Gustine	21.97	0.78 %	21.89	0.87 %	0 %
Livingston	46.97	1.66 %	46.52	1.86 %	- 1 %
Los Banos	129.61	4.58 %	127.32	5.08 %	- 2 %
Merced	273.51	9.66 %	270.04	10.78 %	- 1 %
County of Merced	2,233.95	78.88 %	1,921.31	76.67 %	- 14 %
Total Miles	2,831.92	100 %	2,506.03	100 %	- 12 %

<b>FUNDING ALLOCATION PERCENTAGE BY JURISDICTION</b>			
<b>(% Road Miles + % Population) ÷ 2 = Allocation %</b>			
	<b>2019 Allocation %</b>	<b>2020 Allocation %</b>	<b>% Change</b>
Atwater	7.40 %	7.45 %	0.6 %
Dos Palos	1.42 %	1.43 %	1.2 %
Gustine	1.44 %	1.47 %	2.5 %
Livingston	3.39 %	3.58 %	5.8 %
Los Banos	9.61 %	9.93 %	3.4 %
Merced	20.32 %	20.93 %	3.0 %
County of Merced	56.43 %	55.20 %	- 2.2 %
Total	100 %	100 %	



## **COVID-19 Impacts on Revenue**

Staff expects that due to the economic impact of COVID-19 and the fact that Measure V revenue is entirely derived from a one-half cent sales tax, there will be a reduction in revenue from the prior fiscal year (~\$18 million per year). As the exact reduction in revenue generated remains unknown, three sets of estimates are provided in this memo: Measure V FY 2020-21 revenue of \$15 million, \$13.5 million, and \$12 million. (See next page)

## **Data Sources**

### 2018 Road Miles:

California Public Road Data 2018, Table 6 - Merced County

Caltrans, November 2019

<https://dot.ca.gov/programs/research-innovation-system-information/highway-performance-monitoring-system>

### 2016 Road Miles:

California Public Road Data 2016, Table 6 - Merced County

Caltrans, March 2018

<https://dot.ca.gov/programs/research-innovation-system-information/highway-performance-monitoring-system>

### 2020 Population:

E-1 Population Estimates for Cities, Counties and the State with Annual Percent Change — January 1, 2019 and 2020.

California Department of Finance, May 2020.

<http://www.dof.ca.gov/Forecasting/Demographics/Estimates/E-1/>

2018 Population: from the E-1 report published May 2018.

## **Contact**

Please direct questions to Matt Fell at [matt.fell@mcagov.org](mailto:matt.fell@mcagov.org) (209)723-3153 x 128.

**Estimated Measure V Local Projects Funding Allocations by Jurisdiction for FY 2020-2021**  
**Three scenarios of overall revenue**

Note: at least 20% of Local Projects Funding must be spent on Alternative Modes.

If overall program revenue is <b>\$15 million</b> in FY 2020-21			
	Annual Base Amount	50/50 Formula Amount	Estimated Annual Allocation
Atwater	\$ 150,000	\$ 480,616	\$ 630,616
Dos Palos	\$ 150,000	\$ 92,465	\$ 242,465
Gustine	\$ 150,000	\$ 94,997	\$ 244,997
Livingston	\$ 150,000	\$ 231,080	\$ 381,080
Los Banos	\$ 150,000	\$ 640,714	\$ 790,714
Merced City	\$ 150,000	\$ 1,349,862	\$ 1,499,862
County	\$ 150,000	\$ 3,560,266	\$ 3,710,266
<b>Total</b>	<b>\$ 1,050,000</b>	<b>\$ 6,450,000</b>	<b>\$ 7,500,000</b>

If overall program revenue is <b>\$13.5 million</b> in FY 2020-21			
	Annual Base Amount	50/50 Formula Amount	Estimated Annual Allocation
Atwater	\$ 150,000	\$ 424,730	\$ 574,730
Dos Palos	\$ 150,000	\$ 81,713	\$ 231,713
Gustine	\$ 150,000	\$ 83,951	\$ 233,951
Livingston	\$ 150,000	\$ 204,210	\$ 354,210
Los Banos	\$ 150,000	\$ 566,212	\$ 716,212
Merced City	\$ 150,000	\$ 1,192,902	\$ 1,342,902
County	\$ 150,000	\$ 3,146,282	\$ 3,296,282
<b>Total</b>	<b>\$ 1,050,000</b>	<b>\$ 5,700,000</b>	<b>\$ 6,750,000</b>

If overall program revenue is <b>\$12 million</b> in FY 2020-21			
	Annual Base Amount	50/50 Formula Amount	Estimated Annual Allocation
Atwater	\$ 150,000	\$ 368,844	\$ 518,844
Dos Palos	\$ 150,000	\$ 70,961	\$ 220,961
Gustine	\$ 150,000	\$ 72,905	\$ 222,905
Livingston	\$ 150,000	\$ 177,341	\$ 327,341
Los Banos	\$ 150,000	\$ 491,711	\$ 641,711
Merced City	\$ 150,000	\$ 1,035,941	\$ 1,185,941
County	\$ 150,000	\$ 2,732,297	\$ 2,882,297
<b>Total</b>	<b>\$ 1,050,000</b>	<b>\$ 4,950,000</b>	<b>\$ 6,000,000</b>



## ADMINISTRATIVE REPORT

### Agenda Item I.4.

Meeting Date: 5/18/2020

*Report Prepared by: Wally Broughton, Public Works Manager-Operations*

**SUBJECT:** Approval of Agreement for Professional Services with Hoffman Electronic Systems, in the Annual Amount of \$21,012, for Electronic Monitoring Services at City Owned-Facilities, for a Two (2) Year Term Beginning July 1, 2020 Through June 30, 2022, with an Option to Extend for Three (3) Additional One (1) Year Term(s)

### REPORT IN BRIEF

Considers approving an agreement with Hoffman Electronic Systems, in the annual amount of \$21,012, for electronic monitoring services at city owned-facilities.

### RECOMMENDATION

**City Council** - Adopt a motion approving the Agreement for Professional Services with Hoffman Electronic Systems, in the annual amount of \$21,012, for electronic monitoring services at City owned-facilities for a two (2) year period, with an option to renew for a maximum of three (3) additional one (1) year periods; and, authorizing the City Manager or the Assistant City Manager to execute the necessary documents.

### ALTERNATIVES

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

### AUTHORITY

Charter of the City of Merced, Section 200 et seq.

Services with an estimated value greater than \$32,000.00 are made by written contract in accordance with Merced Municipal Code, Title 3 - Revenue and Finance, Chapter 3.04.

### CITY COUNCIL PRIORITIES

As provided for in the Proposed Fiscal Year 2020-2021 Budget.

### DISCUSSION

The Public Works Department recently invited proposals to provide electronic alarm monitoring services at approximately 111-City owned-facilities including, but not limited to the following: Storm Drain Pump Stations, Sanitary Sewer Lift Stations, Water Well Tanks, Wastewater Treatment Plant

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Facility, Merced Transportation Center, Ralph Shannon Parade, Public Works Corporation Yard, Purchasing Facility, Merced Bell Station, Police Stations, Merced Civic Center, Merced Regional Airport, Applegate Zoo, Rossetti-Ed-Zoo-Cation Center, Stephen Leonard and McNamara Recreation Centers, Merced Senior Community Center, and Traffic Signal/Lighting Warehouse. Please see Attachment 1 for a detailed listing of specific locations and alarm types.

Hoffman was the only vendor to respond to our Request for Proposal. Their services will include the monitoring of temperature sensors of highly sensitive computer electronic components, high/low water levels at storm drain pump basins to prevent the potential flooding of city streets after storm events, fire detection systems, as well as burglar intrusion alarms and video camera monitoring.

They have provided monitoring services to the majority of our facilities from years 2002 through 2009, and 2015 to present. They have the necessary facility and experience to perform this work and continue to meet the needs of the City. All of their work is completed by in-house employees and not subcontractors. This is important in regards to security concerns due to the need to safeguard confidential information and granting access to secured locations.

The contract agreement will be for a period of two (2) years, commencing on July 1, 2020 and ending on June 30, 2022. The City has the option to extend the terms of the agreement for one-to-three additional periods of one-year, ending on June 30, 2025.

### **IMPACT ON CITY RESOURCES**

The annual contract amount of \$21,012, includes projected growth of City owned-facilities anticipated to be seven (7) sites, totaling \$1,428 annually. Until such time additional alarms are installed, the annual contract amount is \$19,584.

Funding for this service has been included in the Fiscal Year 2020/2021 Proposed budget.

### **ATTACHMENTS**

1. City Locations and Alarm Types
2. Scope of Services
3. Hoffman Agreement

CITY LOCATIONS & ALARM TYPES										
count	Description and Location				Alarm Type	Existing Equipment and Special Requirements	Cellular Card	Monthly	Annual Cost	General Ledger Account Number
1	CIVIC CENTER - INTRUSION & FIRE	678	W.	18th ST	Intrusion & Fire	1 Alarm, 3 Keypads, Fire Riser		\$12.00	\$144.00	671-1119-532.21-00
2	RALPH SHANNON PARCADE	638	W.	18th ST	Fire Alarm	Fire Pump & Riser		\$12.00	\$144.00	671-1119-532.21-00
3	ADAM GRAY'S OFFICE	690	W.	16th ST	Intrusion	1 Alarm, 2 Keypads		\$12.00	\$144.00	671-1119-532.21-00
4	PARKING CENTER GARAGE-FIRE	1801		M st	Fire	Standard Fire Alarm		\$12.00	\$144.00	671-1119-532.21-00
5	TRANSPORTATION CENTER	710	W.	16th ST	Intrusion	1 Alarm, 2 Keypads		\$12.00	\$144.00	671-1119-532.21-00
						<b>subtotal:</b>		<b>\$60.00</b>	<b>\$720.00</b>	
6	FINANCE-CIVIC CENTER Main Office	678	W.	18th ST	Intrusion	2 Alarms, 2 keypads, Main Room, 1 Alarm and Keypad in Vault Room		\$12.00	\$144.00	001-0701-512.21-00
						<b>subtotal:</b>		<b>\$12.00</b>	<b>\$144.00</b>	
7	CIVIC CENTER-IT DEPT	678	W.	18th ST	Intrusion & Temperature Alarm	1 Alarm, 2 Keypads, 1 motion sensor. The equipment must have a NO/NC contact or "Key bypass" option. Allows use of badges to arm/disarm the system	X	\$17.00	\$204.00	672-0403-512.21-00
						<b>subtotal:</b>		<b>\$17.00</b>	<b>\$204.00</b>	
8	CIVIC CENTER 3RD FLOOR	678	W.	18th ST	Panic Alarm	1 Keypad, 1 Alarm		\$12.00	\$144.00	001-0201-512.17-00
						<b>subtotal:</b>		<b>\$12.00</b>	<b>\$144.00</b>	
9	BELL STATION	415	W.	18th ST	Intrusion	1 Alarm, 1 Keypad		\$12.00	\$144.00	063-2005-572.17-00
						<b>subtotal:</b>		<b>\$12.00</b>	<b>\$144.00</b>	
10	PURCHASING DEPT	2525		O st	Intrusion	1 Alarm, 1 Keypad & 8 light beams, 2 motion, 6 glass crash sensors, 5 door sensors	X	\$17.00	\$204.00	001-0702-512.21-00
						<b>subtotal:</b>		<b>\$17.00</b>	<b>\$204.00</b>	
11	ROSSOTTI BLDG/APPLEGATE/ED-ZOO-CATION	1045	W	25th ST	Intrusion	1 Alarm, 1 Keypad		\$12.00	\$144.00	024-1204-542.21-00
12	PARCADE-PARKS COMM SERV DEPT	626 & 632	W.	18th ST	Intrusion	1 Alarm, 2 Keypads, 1 Motion Sensor	X	\$17.00	\$204.00	024-1204-542.21-00
13	PARKS COMMUNITY SERVICE STORAGE ROOM	364	W.	27th St	Intrusion	Alarm Equipment	X	\$17.00	\$204.00	024-1204-542.21-00
14	MERCED ZOO - ZOO KEEPER'S OFC	1045	W	25th ST	Intrusion	1 Alarm, 1 Keypad		\$12.00	\$144.00	024-1205-542.17-00
15	MCMAMARA RECREATION CENTER	1040		CANAL STREET	Intrusion	1 Alarm, 1 Keypad	X	\$17.00	\$204.00	024-1218-542.21-00
16	STEPHEN LEONARD-REC CENTER	640		T STREET	Intrusion	1 Alarm, 1 Keypad, 1 motion sensor, 1 door contact		\$12.00	\$144.00	024-1218-542.21-00
17	MERCED SENIOR COMMUNITY CENTER	755	W.	25th ST	Intrusion	1 Alarm, 2 Keypads		\$12.00	\$144.00	024-1216-542.21-00
						<b>subtotal:</b>		<b>\$99.00</b>	<b>\$1,188.00</b>	
18	CENTRAL MERCED POLICE EVIDENCE ROOM	611	W	22nd ST	Intrusion & Camera	1 Alarm, 1 Keypad, 3 motion sensors, 2 door contacts, 1 camera		\$12.00	\$144.00	001-1001-522.17-00
19	POLICE RECORDS STORAGE SHED	611	W	22nd ST	Intrusion	1 Alarm, 1 Keypad, 2 motion sensors, 1 door contact		\$12.00	\$144.00	001-1001-522.17-00
20	P.D. EVIDENCE RM-DOWNTOWN-BURG	470	W.	11th ST	Intrusion	1 Alarm, 2 Keypads, 6 motion sensors		\$12.00	\$144.00	001-1001-522.17-00
21	MERCED POLICE DEPT WHSE-1	460		GROGAN AVE	Intrusion	1 Alarm, 1 Keypad, 2 motion sensors, 1 door contact, 1 glassbreak		\$12.00	\$144.00	001-1001-522.17-00

CITY LOCATIONS & ALARM TYPES										
	Description and Location				Alarm Type	Existing Equipment and Special Requirements	Cellular Card	Monthly	Annual Cost	General Ledger Account Number
22	MERCED POLICE DEPT. WHSE-2	460		GROGAN AVE.	Intrusion	1 Alarm, 10 doors, 3 motion sensors, 1 skylight beam		\$12.00	\$144.00	001-1001-522.17-00

CITY LOCATIONS & ALARM TYPES										
count	Description and Location				Alarm Type	Existing Equipment and Special Requirements	Cellular Card	Monthly	Annual Cost	General Ledger Account Number
23	MERCED POLICE DEPT-BOMB SQUAD	460		GROGAN AVE.	Intrusion	1 alarm, 1 keypad, 2 doors, 2 motions		\$12.00	\$144.00	001-1001-522.17-00
24	MERCED POLICE DEPT. WHSE-4	460		GROGAN AVE.	Intrusion	1 alarm 2 doors 1 motion		\$12.00	\$144.00	001-1001-522.17-00
25	MERCED PD EVIDENCE RM-DOWNTOWN-FIRE	470	W	11TH ST	Intrusion	1 Alarm, 1 Keypad, 1 pull station, 5 smoke detectors, 1 waterflow, 1 tamper, 1 phone line, 1 A/C loss/restore, 2 trouble/restore		\$12.00	\$144.00	001-1001-522.17-00
26	MERCED POLICE DEPT YARD	460		GROGAN AVENUE	Intrusion	1 alarm, 1 keypad, 5 beams	X	\$17.00	\$204.00	001-1001-522.17-00
27	MERCED POLICE DEPT DART	415	W	18TH STREET	Intrusion	1 alarm, 1 keypad, motion, 1 door contact and waterflow	X	\$17.00	\$204.00	001-1001-522.17-00
28	CITY OF MERCED POLICE DEPARTMENT	3033		"G" STREET	Intrusion	1 alarm, 1 keyfob, 11 doors, 1 repeater, 5 motion sensors	X	\$17.00	\$204.00	001-1001-522.17-00
						<b>subtotal:</b>		<b>\$147.00</b>	<b>\$1,764.00</b>	
29	MERCED AIRPORT HANGERS-FIRE			Merced Airport Hangers-Fire	Fire Alarm	Fire Riser & Alarm		\$12.00	\$144.00	561-1303-562.17-00
30	MERCED AIRPORT TERMINAL BLDG			Merced Airport Terminal Bldg	Panic Button	TSA Emergency Alarm		\$12.00	\$144.00	561-1303-562.17-00
						<b>subtotal:</b>		<b>\$24.00</b>	<b>\$288.00</b>	
31	PUBLIC WORKS ADMIN BLDG 1	1776		GROGAN AVE	Intrusion	2 Keypads, 2 motion Sensors		\$12.00	\$144.00	029-1102-532.21-00
32	PUBLIC WORKS CONFERENCE ROOM BLDG 3B	1776		GROGAN AVE	Intrusion	1 Keypad, 1 Door Switch		\$12.00	\$144.00	029-1102-532.21-00
						<b>subtotal:</b>		<b>\$24.00</b>	<b>\$288.00</b>	
33	PUBLIC WORKS AUTO SHOP MAIN SHOP	1776		GROGAN AVE BLDG 2	Intrusion	1 Keypad, 10 Door Switches	X	\$17.00	\$204.00	670-1103-532.21-00
34	PUBLIC WORKS AUTO TIRE LUBE BLDG 11	1776		GROGAN AVE	Intrusion	5 Door Switches		\$12.00	\$144.00	670-1103-532.21-00
						<b>subtotal:</b>		<b>\$29.00</b>	<b>\$348.00</b>	
35	PUBLIC WORKS SIGN SHOP BLDG 3A	1776		GROGAN AVE	Intrusion	1 Keypad, 2 Motion Sensors	X	\$17.00	\$204.00	022-1104-532.21-00
36	TRAFFIC LIGHT/SIGNAL WAREHOUSE	1720	W.	16th ST	Intrusion	1 Keypad, 2 Door Switches		\$12.00	\$144.00	022-1104-532.21-00
						<b>subtotal:</b>		<b>\$29.00</b>	<b>\$348.00</b>	
37	TREE TRIMMING/STORAGE ROOM	1776		GROGAN AVE	Intrusion	1 Keypad, 1 Door Switch		\$12.00	\$144.00	558-1122-532.21-00
						<b>subtotal:</b>		<b>\$12.00</b>	<b>\$144.00</b>	
38	SEWER LIFT STATION 2			ALLEY @ E ST & MAIN ST	Low/High Water Level, Wet Well, Panic, Dry Well, Hatch, Power Failure	Alarm Equipment		\$12.00	\$144.00	553-1108-532.21-00
39	SEWER LIFT STATION 3	1931		GROGAN AVE	" "	" "		\$12.00	\$144.00	553-1108-532.21-00
40	SEWER LIFT STATION 6			HAWK DR	" "	" "		\$12.00	\$144.00	553-1108-532.21-00
41	SEWER LIFT STATION 7	2215		COOPER AVE N/S	" "	" "		\$12.00	\$144.00	553-1108-532.21-00
42	SEWER LIFT STATION 8		E	HWY 140 & KIBBY RD	" "	" "		\$12.00	\$144.00	553-1108-532.21-00
43	SEWER LIFT STATION 9	3304		COLUMBIA AVE	" "	" "		\$12.00	\$144.00	553-1108-532.21-00
44	SEWER LIFT STATION 10	1842		VALLEY FORGE	" "	" "		\$12.00	\$144.00	553-1108-532.21-00
45	SEWER LIFT STATION 11	3254	E	CHILDS AVE	" "	" "		\$12.00	\$144.00	553-1108-532.21-00
46	SEWER LIFT STATION 12			UNILEVER-N. HWY 59	" "	" "		\$12.00	\$144.00	553-1115-532.21-00
47	SEWER LIFT STATION 16	3400		SAN FRANCISCO & BUENA DRIVE	" "	" "		\$12.00	\$144.00	553-1108-532.21-00
48	SEWER LIFT STATION 17	3156	N	HWY 59	" "	" "		\$12.00	\$144.00	553-1108-532.21-00
49	SEWER LIFT STATION 18	3125		MERCED AVE	" "	" "	X	\$17.00	\$204.00	553-1108-532.21-00
50	SEWER LIFT STATION 19	504		ALFARATA & PARSONS	" "	" "		\$12.00	\$144.00	553-1108-532.21-00

CITY LOCATIONS & ALARM TYPES										
<small>count</small>	Description and Location				Alarm Type	Existing Equipment and Special Requirements	Cellular Card	Monthly	Annual Cost	General Ledger Account Number
51	SEWER LIFT STATION 20	305		CARDELLA & BANCROFT	" "	" "		\$12.00	\$144.00	553-1108-532.21-00



CITY LOCATIONS & ALARM TYPES										
count	Description and Location				Alarm Type	Existing Equipment and Special Requirements	Cellular Card	Monthly	Annual Cost	General Ledger Account Number
52	SEWER LIFT STATION 21	2309		MALASPINA & WHITEWATER	" "	" "		\$12.00	\$144.00	553-1108-532.21-00
53	SEWER LIFT STATION 22	481		WINDER AVE	" "	" "		\$12.00	\$144.00	553-1108-532.21-00
54	SEWER LIFT STATION 23	203		RANCHO CAMINO DR	" "	" "		\$12.00	\$144.00	553-1108-532.21-00
55	SEWER LIFT STATION 13	3381		R ST/FAHRENS PARK	" "	" "		\$12.00	\$144.00	553-1108-532.21-00
56	SEWER LIFT STATION 14			HWY 140 & SIDNEY LANE	" "	" "		\$12.00	\$144.00	553-1108-532.21-00
57	SEWER LIFT STATION 15	1348	E.	ALEXANDER AVE	" "	" "		\$12.00	\$144.00	553-1108-532.21-00
58	WWTP SOLIDS BLDG FIRE PNL	10260		GOVE RD	Fire Alarm	Fire Riser & Alarm		\$12.00	\$144.00	553-1108-532.21-00
59	WWTP LAB FIRE PNL	10260		GOVE RD	Intrusion & Motion	Wireless: Doors: 5, Motion 5; Keypad: 1		\$12.00	\$144.00	553-1108-532.21-00
60	WWTF-MULTI BLDGS	10260		GOVE RD	Intrusion & Motion	Wireless: Doors: 57, Motion 11; Wired: Door:1, Motion: 1; Keypads: 2		\$12.00	\$144.00	553-1108-532.21-00
						<b>subtotal:</b>		<b>\$281.00</b>	<b>\$3,372.00</b>	
61	WWTP - LAND APPLICATION	10260		GOVE RD	Intrusion	Wired Doors: 3, Keypad: 1, cell communicator	X	\$17.00	\$204.00	553-1115-532.21-00
								<b>\$17.00</b>	<b>\$204.00</b>	
62	STORM PUMP STATION 1B			AIRPORT, SOUTH OF 1A	High/Low Wet Well Water Level, Power Failure, & Cabinet Door Intrusion Alarms	Alarm Equipment	X	\$17.00	\$204.00	553-1114-532.21-00
63	STORM PUMP STATION 2	3315		CAMPUS DRIVE	" "	" "	X	\$17.00	\$204.00	125-1165-532.21-00
64	STORM PUMP STATION 3	2761		COOPER AVE N/S	" "	" "	X	\$17.00	\$204.00	553-1114-532.21-00
65	STORM PUMP STATION 4	1317	W.N.	BEAR CREEK	" "	" "	X	\$17.00	\$204.00	124/148//193-1165-532.2
66	STORM PUMP STATION 5	3343		BISMARCK	" "	" "	X	\$17.00	\$204.00	553-1114-532.21-00
67	STORM PUMP STATION 6	1150		PASEO VERDE	" "	" "	X	\$17.00	\$204.00	122-1165-532.21-00
68	STORM PUMP STATION 7	200	S.E.	PARSONS	" "	" "	X	\$17.00	\$204.00	553-1114-532.21-00
69	STORM PUMP STATION 9			CAMERON LN BEAR CREEK	" "	" "	X	\$17.00	\$204.00	553-1114-532.21-00
70	STORM PUMP STATION 10			YOSEMITE & "G" STREET	" "	" "	X	\$17.00	\$204.00	126/194-532.21-00
71	STORM PUMP STATION 11	100		PARSONS AVENUE	" "	" "	X	\$17.00	\$204.00	121/144/173-532.21-00
72	STORM PUMP STATION 12	1567		RONNIE COURT	" "	" "	X	\$17.00	\$204.00	140-1165-532.21-00
73	STORM PUMP STATION 16	1417		W.N. BEAR CREEK	" "	" "	X	\$17.00	\$204.00	108-1165-532.21-00
74	STORM PUMP STATION 18	1813	W.	LOPES AVENUE	" "	" "	X	\$17.00	\$204.00	106-1165-532.21-00
75	STORM PUMP STATION 19			GILBERT MACIAS PARK	" "	" "	X	\$17.00	\$204.00	109/136-1165-532.21-00
76	STORM PUMP STATION 20	1384		HANSEN AVENUE	" "	" "		\$12.00	\$144.00	127-1165-532.21-00
77	STORM PUMP STATION 22	3495		SAN PABLO AVENUE	" "	" "	X	\$17.00	\$204.00	113-1165-532.21-00
78	STORM PUMP STATION 23			"N" STREET BEHND JOHN	" "	" "	X	\$17.00	\$204.00	132-1165-532.21-00
79	STORM PUMP STATION 24	2090		LOPES AVENUE	" "	" "	X	\$17.00	\$204.00	111/145-532.21-00
80	STORM PUMP STATION 26	97	E.	GERARD AVENUE	" "	" "	X	\$17.00	\$204.00	142-1165-532.21-00
81	STORM PUMP STATION 29	1105		CORMORANT DRIVE	" "	" "	X	\$17.00	\$204.00	143-1165-532.21-00
82	STORM PUMP STATION 30	1002		DEERFIELD CT	" "	" "	X	\$17.00	\$204.00	116/139-532.21-00
83	STORM PUMP STATION 31	1945		SANDOZ CT	" "	" "	X	\$17.00	\$204.00	101-1165-532.21-00
84	STORM PUMP STATION 35	3088	W	QUEENS CIRCLE	" "	" "		\$12.00	\$144.00	107-1165-532.21-00
85	STORM PUMP STATION 38	4040		TANAGER	" "	" "	X	\$17.00	\$204.00	118/169-1165-532.21-00
86	STORM PUMP STATION 40	1304		EL PORTAL DRIVE	" "	" "	X	\$17.00	\$204.00	102/114-532.21-00
87	STORM PUMP STATION 42			BUENA VISTA SARASOTA	" "	" "	X	\$17.00	\$204.00	141/151/178/165/195.21-
88	STORM PUMP 1A AIRPORT	285		RIGGS AVE	" "	" "	X	\$17.00	\$204.00	553-1114-532.21-00
89	STORM PUMP STATION 8	2980		WAINWRIGHT	" "	" "	X	\$17.00	\$204.00	553-1114-532.21-00
90	STORM PUMP STATION 17			HORIZON & AVIGNON DRIVE	" "	" "	X	\$17.00	\$204.00	190/174-1166-532.21-00
91	STORM PUMP STATION 21			"R" STREET FAHRENS CREEK	" "	" "	X	\$17.00	\$204.00	110-1165-532.21-00
92	STORM PUMP STATION 27	1980		AUTO CENTER DRIVE	" "	" "	X	\$17.00	\$204.00	117-1165-532.21-00
93	STORM PUMP STATION 37			HALLEY AVE & ANTARES	" "	" "	X	\$17.00	\$204.00	121-1165-532.21-00

CITY LOCATIONS & ALARM TYPES									
<small>count</small>	<u>Description and Location</u>			<u>Alarm Type</u>	<u>Existing Equipment and Special Requirements</u>	<u>Cellular Card</u>	<u>Monthly</u>	<u>Annual Cost</u>	<u>General Ledger Account Number</u>
94	STORM PUMP STATION 41	4355		BIXBY WAY	" "	X	\$17.00	\$204.00	164-1166-532.21-00
95	STORM PUMP STATION 43			CREEKVIEW & SILVERSTONE	" "	X	\$17.00	\$204.00	167/185-532.21-00

CITY LOCATIONS & ALARM TYPES										
count	Description and Location				Alarm Type	Existing Equipment and Special Requirements	Cellular Card	Monthly	Annual Cost	General Ledger Account Number
96	STORM PUMP STATION 44			CARDELLA & FREEMARK	" "	" "	X	\$17.00	\$204.00	170-1166-532.21-00
97	STORM PUMP STATION 45			SAN JOSE & ROUNDHILL	" "	" "	X	\$17.00	\$204.00	170-1166-532.21-00
98	STORM PUMP STATION 46	3375		BLIX AVENUE	" "	" "	X	\$17.00	\$204.00	166/181-166-1166 -532.2
99	STORM PUMP STATION 52			JOE HERB SOCCER FIELD	" "	" "	X	\$17.00	\$204.00	553-1114-532.21-00
100	STORM PUMP STATION 54	3255	E.	GERARD CAMPUS PARKWAY	" "	" "	X	\$17.00	\$204.00	553-1114-532.21-00
101	STORM PUMP STATION 59			"G" & SANTA FE UNDERCROSSING	" "	" "	X	\$17.00	\$204.00	553-1114-532.21-00
102	STORM PUMP STATION 48			SAN AUGUSTINE AVENUE	" "	" "	X	\$17.00	\$204.00	172/184-532.21-00
103	STORM PUMP STATION 47			MERCED AVE & DYLAN COURT	" "	" "	X	\$17.00	\$204.00	168/177-532.21-00
104	STORM PUMP STATION 50			S.W. CORNER WAVERLY DRIVE	" "	" "	X	\$17.00	\$204.00	188/189/191-532.21-00
105	STORM PUMP STATION 49			CORNER OF "M" STREET	" "	" "	X	\$17.00	\$204.00	153-1165-532.21-00
106	STORM PUMP STATION 25	1801		WARBROBE AVENUE	" "	" "	X	\$17.00	\$204.00	553-1114-532.21-00
107	STORM PUMP STATION 60			CANAL & MCNAMARA	" "	" "	X	\$17.00	\$204.00	553-1114-532.21-00
						subtotal:		\$772.00	\$9,264.00	
108	WELL SITE #1	477		ST LAWRENCE AVE	Tank Intrusion	Alarm Equipment	X	\$17.00	\$204.00	557-1106-532.21-00
109	WELL SITE #2	1201	S.	PARSONS AVE	Tank Intrusion	Alarm Equipment	X	\$17.00	\$204.00	557-1106-532.21-00
110	WELL SITE #7	3362		MCKEE ROAD	Tank Intrusion	Alarm Equipment	X	\$17.00	\$204.00	557-1106-532.21-00
						subtotal:		\$51.00	\$612.00	
111	SOLID WASTE TRANSFER SITE	3504		NORTH HIGHWAY 59 & YOSEMITE	Intrusion	1 Alarm, 1 Keypad	X	\$17.00	\$204.00	671-1119-532.21-00
						subtotal:		\$17.00	\$204.00	
						BID TOTAL :		\$1,632.00	\$19,584.00	
112	7-ANTICIPATED NEW CITY FACILITIES (Well Sites/Sewer Lift, Pump Stations/City Buildings)			7-NEW CITY FACILITIES (Well Sites/Pump Stations/City	Intrusion/Fire	Miscellaneous Equipment	X	\$119.00	\$1,428.00	TO BE DETERMINED
						GRAND TOTAL:		\$1,751.00	\$21,012.00	

## **ATTACHMENT 2**

### **Scope of Services**

Scope of Services - The successful proposer shall furnish the following services:

- 1) The Contractor shall provide electronic monitoring of sensors installed at locations as identified. Locations requiring cellular telephone communication cards are identified on attachment.
- 2) The City shall provide the Contractor with a monthly call list for notification purposes. In the event of an alarm condition generated by any sensor, the Contractor shall immediately notify the City of the situation within 2-minutes. Successful proposer will receive contact information and procedures to follow.
- 3) **The Contractor shall be responsible for the operation and maintenance of communicators** at the identified locations, but shall not be responsible for the maintenance of City telephone lines or cellular connections.
- 4) If existing alarm equipment require reprogramming to accommodate system monitoring, all costs shall be borne by the Contractor.
- 5) Alarm equipment which cannot be reprogrammed due to age, incompatible equipment, or not solely owned by the city shall be replaced at contractor's expense unless arrangements are made with the City of Merced.

**Note 1: It shall be the responsibility of the Contractor to evaluate all existing monitoring equipment or circuits prior to submittals to determine if it is compatible with their monitoring services. Failure to comply shall be considered a breach of contract and the City of Merced shall have the right to declare the service agreement null and void.**

**Note 2: All equipment replaced or installed by the Contractor shall become property of the City of Merced upon completion of installation.**

- 6) No additional services or work shall be performed by the Contractor, unless approved in advance by the City, stating the dollar value of the services and method of payment.
- 7) **If the City authorizes additional services or work to be performed by the Contractor, a separate purchase order will be issued specifically for the single job requested;** and all alarm equipment installed shall meet applicable building code requirements, UL specifications for alarms, to include State and Federal requirements for commercial business alarm applications. **NOTE:** No services or work shall proceed prior to the issuance of the separate

purchase order. Any work undertaken without a valid separate purchase order shall be a gift to the City of Merced.

- 8) The Contractor will bill the City on a separate invoice for other authorized work performed and shall include the purchase order number on the invoice.

All such services are to be coordinated with the City and results of the work shall be monitored by the City. The means by which the work is accomplished shall be the sole responsibility of the Contractor.

**Fresno Area:**  
 90 E. Escalon Ave. #120  
 Fresno, CA 93710  
 (559) 292-7871  
 ACO # 4638  
 Con. Lic. 484100



**Merced Area:**  
 2301 Aviation Dr.  
 Atwater, CA 95301  
 (209) 384-3305  
 (800) 972-0003  
 (209) 722-1107-Fax  
 HoffmanElectronics.com

*Who's Watching Your Home or Business?*

**SALE AND/OR INSTALLATION AND SERVICES AGREEMENT - Retail Installment Contract**

THIS AGREEMENT is made this 1st day of June, 2020 by and between Hoffman Electronic Systems, a California corporation ("Hoffman"), and Subscriber named below.

SUBSCRIBER	DESCRIPTION OF JOB
City of Merced 1776 Grogan Ave, Merced, CA 95341	Security Monitoring - Various locations See Below

**1. SALE AND/OR INSTALLATION AND SERVICES. We will (check one box as applicable):**

- ☒ Sell and install, and provide warranty and after-warranty repair service, and provide the other services for, the security systems described below (individually or collectively the "System"); OR
- ☐ Install, provide repair service, and provide the other services for the System, in which case **THE SYSTEM SHALL REMAIN OUR SOLE PROPERTY AND IS PROVIDED AS PART OF THE SERVICE.** Price and payment terms for monitoring service is included herein, and monitoring service is provided pursuant to the terms and conditions of our Agreement executed by Subscriber.
- Signs and decals to remain the property of Hoffman under any circumstances.

System and Services Description

Hoffman to bring online and monitor the following alarm locations listed on attached spreadsheet

Approximate Installation Starting Date: \_\_\_\_\_ Approximate Installation Completion Date: \_\_\_\_\_

Starting the installation of wiring and/or delivery of equipment to your premises will constitute substantial commencement of the work to be performed. Upon completion of the installation, we will thoroughly instruct you in the proper use of the System. Subscriber will, at Subscriber's sole expense, obtain and keep in effect during the entire term of this Agreement, all permits, licenses, plan checks and similar governmental requirements that may be required for the installation and use of the System.

**2. PRICE; PAYMENT; TERM; FINANCIAL DISCLOSURES**

SALES/INSTALLATION PRICE	\$	MONITORING SERVICE	\$1,632.00 - 1,751.00/MONTH
(Sales Tax Included in Installation Price)		Includes:	
		<input type="checkbox"/> Cell	<input type="checkbox"/> Total Control App
		<input type="checkbox"/> Open/Close Reports	<input type="checkbox"/> UL Certification
		<input type="checkbox"/> Camera Maintenance	<input type="checkbox"/> Videoified Clips
		<input type="checkbox"/> ZWave Control	<input type="checkbox"/> Entre
		<input type="checkbox"/> Camera Control	<input type="checkbox"/> Instant Eye Witness
		<input type="checkbox"/> Extended warranty	<input type="checkbox"/> Fire inspections
DEPOSIT DUE NOW	\$	INITIAL TERM OF MONITORING SERVICE	
BALANCE WHEN THE SYSTEM IS COMPLETED	\$	PAID: Annually	1 - YEARS (12 Mo/4 qtr/1 yrs)
		TOTAL MONITORING SUM FOR INITIAL TERM	\$19,584.00 - 21,012.00

There is no financing charge or cost of credit associated with this Agreement (0% APR). The total sum set forth above as total monitoring sum for initial term is the total cash price and total cost of credit for monitoring service. WE MAY ELECT NOT TO START TO MONITOR THE SYSTEM OR PROVIDE OTHER SERVICES UNTIL THE SALES/INSTALLATION PRICE IS PAID IN FULL. You agree and understand that if you authorize any payments pursuant to any electronic means provided in the "Easy Payment Enrollment" form, and if such authorization is discontinued or terminated by you or any payment is dishonored by the financial institution or is not paid otherwise paid for any reason, your payment obligations under this Agreement remain in full force and effect and you agree to pay the same to Hoffman. If you fail to make any such payments, we may terminate providing any further services and all collection rights and remedies of Hoffman are expressly reserved.

For services, the initial term of this agreement is two (2) years commencing on the day service begins, and will automatically continue for successive one (1) Month terms unless canceled by either of us in writing at least thirty (30) days before the end of the original term or renewal term.

**3. MONITORING SERVICE FEES ARE BILLED IN ADVANCE AND IS DUE UPON YOUR RECEIPT OF OUR INVOICE. YOU WILL PAY THE PRORATED SERVICES FEE FOR THE MONTH IN WHICH SERVICES BEGIN. THE FIRST PAYMENT FOR SERVICES IS DUE WHEN WE SUBSTANTIALLY COMPLETE THE INSTALLATION OF THE SYSTEM.** Monitoring service will not begin until you have executed and delivered our Agreement. We may elect not to start to monitor the alarm system, activate other systems, or provide other services until the installation price is paid in full. If you fail to make any payment when due we may discontinue installation, monitoring and service, terminate this Agreement and recover all damages to which we are entitled, including the value of the work performed and loss of profits. In addition we may impose a late charge on all payments for the installation of the System that more than ten (10) days past due in the maximum amount permitted by California law. You understand that the monitoring service fee does not include and text messaging or other cell phone usage charges by your wireless carrier that you may incur as a result of our notification and monitoring services. You acknowledge that the services fee is based upon existing federal, state and local taxes and charges. We shall have the right, at any time, to increase the

1 OF 5 Pages

Hoffman MH

Subscriber \_\_\_\_\_

services fee to reflect any additional or increased taxes, licenses, permits, or fees which may be charged to us by any utility or governmental agency relating to the services we provide and you agree to pay the same. In addition, we may periodically increase the services fee as set forth in Section 19.

4. RECEIPT OF COPY. YOU ACKNOWLEDGE THAT YOU HAVE RECEIVED A COMPLETED COPY OF THIS AGREEMENT. ALL OF THE TERMS ON THE AGREEMENT AND ON ALL ATTACHMENTS ARE PART OF THIS AGREEMENT. READ THEM BEFORE YOU SIGN BELOW.

5. DISCLAIMER OF LIABILITY. WE DO NOT WARRANT THAT THE SYSTEM WILL ALWAYS DETECT OR HELP PREVENT, ANY BURGLARY, FIRE, HOLD-UP OR OTHER SUCH EVENT. WE DO NOT WARRANT THAT THE SYSTEM CANNOT BE DEFEATED OR BY-PASSED OR THAT IT WILL ALWAYS OPERATE. YOU ACKNOWLEDGE AND AGREE THAT WE HAVE MADE NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, THE CONDITION OF THE EQUIPMENT, ITS MERCHANTABILITY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE, NOR HAVE YOU RELIED ON ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED. SECTIONS 16 AND 17 ON THE AGREEMENT LIMIT OUR LIABILITY TO \$1,000.00 OR SIX (6) TIMES THE MONTHLY SERVICES FEE IF YOU OR ANYONE ELSE SUFFERS ANY HARM (DAMAGE OR LOSS OF PROPERTY, PERSONAL INJURY, OR DEATH) BECAUSE THE SYSTEM FAILED TO OPERATE PROPERLY OR WE WERE CARELESS OR ACTED IMPROPERLY. YOU HAVE HAD THE OPPORTUNITY TO TALK TO OUR SECURITY CONSULTANT ABOUT THIS LIMITATION AND YOU KNOW THAT YOU MAY OBTAIN A HIGHER LIMITATION OF OUR LIABILITY BY PAYING AN ADDITIONAL SERVICES FEE TO US.

6. INSTALLATION OF THE SYSTEM. You will permit us to install the System during our normal business hours and you will give us uninterrupted access to your premises. You warrant that you have full authority from the owner and/or other person in control of the premises to permit the installation and operation of the System under all conditions set forth herein. You have approved the locations of where the control panel, audible devices, cameras, monitors, and all devices will be installed. If the alarm system includes an exterior audible bell, horn or siren, it is designed to shut off after sounding for not more than five (5) minutes. You will provide 24 hour - 110-volt electrical service, including non-switched electrical outlets for the System's transformers and other electrical needs, and will make repairs to the premises (such as fixing loose doors, broken windows, sprinkler shut-off valves, etc.) that we deem reasonably necessary to facilitate the installation and operation of the System. You will provide adequate lighting for any CCTV system, and otherwise provide the proper environment for the Systems as we may reasonably request. If telephone utility services or cables are necessary for the installation and operation of the System, you will provide them at your expense. We are not responsible if the installation is delayed because of bad weather, labor disputes, acts of God or other reasons beyond our control. You have the affirmative duty to inform us, prior to beginning of installation, of every location at the premises where we should not (because of concealed obstructions or hazards such as pipes, wires or asbestos) enter or drill holes. Unless so notified, we will determine where to drill holes and place equipment. We will take reasonable precautions to avoid concealed obstructions, but have no means of determining with certainty if they exist. Any costs incurred to repair pipes, wires or other obstructions, and any resulting damaged walls, ceiling, floors or furnishings shall be your sole expense and responsibility. If asbestos or other health hazardous material is encountered during installation, we will cease work until you have, at your sole expense, obtained clearance from a licensed asbestos removal or hazardous material contractor that continuation of work will not pose any danger to our personnel. In no case shall we be liable for discovery or exposure of hidden asbestos or other hazardous material. After we complete the System, you and our representative will inspect it. If something is missing or not properly installed, you will tell us within ten (10) days, otherwise the System will have been accepted by you. If the System is being installed as part of new construction or a remodeling of an existing structure and we pre-wire any portion of the System, and such wiring and/or related System components (e.g. door switches) are damaged by you or others working on the premises, you agree to pay our standard labor and material charges to repair such damage. IF ADDITIONAL TRIPS ARE REQUIRED TO COMPLETE THE JOB DUE TO CUSTOMER OR CONTRACTOR NOT PROVIDING REQUIRED EQUIPMENT OR CONNECTIONS BY SCHEDULED INSTALLATION DATE, (I.E. DOORS, WINDOWS, TELEPHONE, POWER... ETC.), THOSE TRIPS WILL BE BILLED AT STANDARD LABOR RATES. MOTION DETECTORS AND GLASS BREAK DETECTORS ARE FOR SPOT PROTECTION ONLY. SUBSCRIBER DESIRES NO ADDITIONAL PROTECTION AT THIS TIME. SUBSCRIBER UNDERSTANDS THAT SUCH ADDITIONAL PROTECTION MAY BE AVAILABLE AND CAN BE PROVIDED BY HOFFMAN FOR A FEE. HOFFMAN DOES NOT WARRANT ANY EQUIPMENT INSTALLED BY ANY OTHER COMPANY. HOFFMAN TO PROVIDE ONE HOUR FREE LABOR TO BRING SYSTEM ONLINE. ANY OTHER WORK REQUIRED TO MAKE SYSTEM OPERATIONAL WILL BE CHARGED ON A TIME PLUS MATERIALS BASIS. IF ANY WIRES HAVE BEEN CUT SINCE THE PRE-WIRE AND IT IS NECESSARY TO ADD ADDITIONAL EQUIPMENT TO COMPLETE SYSTEM, IT IS THE SUBSCRIBER'S RESPONSIBILITY TO PAY FOR THIS EQUIPMENT ON A TIME PLUS MATERIALS BASIS. USE OF WIRELESS EQUIPMENT IS AFFECTED BY UNSEEN VARIABLES. ADDITIONAL EQUIPMENT AND LABOR MAY BE REQUIRED IF CONDITIONS DICTATE. THESE COSTS ARE BILLED TO THE CUSTOMER. IF HOFFMAN IS INSTALLING A SYSTEM IN A PRE-WIRED HOUSE, HOFFMAN MAKES NO WARRANTY ON CONDITION OF EXISTING WIRE AND ADDITIONAL COSTS MAY ARISE IF WIRE IS UNUSABLE OR LOST. SMOKE DETECTORS AND CARBON MONOXIDE DETECTORS ARE FOR AREA PROTECTION ONLY. ALL COSTS ATTRIBUTABLE TO MAKING THE FIRE ALARM SYSTEM OPERABLE FOR THE RESIDENCE IDENTIFIED BY THIS DOCUMENT, INCLUDING SALE AND INSTALLATION COSTS, DO NOT EXCEED FIVE HUNDRED DOLLARS (\$500).

FIRE PERMIT FEES ARE NOT INCLUDED AS THEY VARY BY JURISDICTION AND ARE THE SUBSCRIBER'S RESPONSIBILITY. ANY ADDITIONAL EQUIPMENT THAT MAY BE REQUIRED BY THE AUTHORITY HAVING JURISDICTION IS THE RESPONSIBILITY OF THE CUSTOMER AND MAY RESULT IN ADDITIONAL CHARGES. FIRE SYSTEMS REQUIRE DEDICATED POWER PROVIDED BY THE SUBSCRIBER.

IF SUBSCRIBER WISHES TO PROGRAM VIDEO RECORDER TO RECORD ON DETECTION OF MOTION ONLY, SUBSCRIBER UNDERSTANDS THAT UNDER SOME CIRCUMSTANCES MOVEMENT IN THE CAMERA IMAGE MAY NOT TRIGGER RECORDING CAUSING ALL OR PART OF AN EVENT TO NOT BE RECORDED. SUBSCRIBER SHALL PROVIDE INTERNET CONNECTION FOR ANY SERVICES AS REQUIRED FOR FUNCTION OF REMOTE MONITORING. HOFFMAN IS NOT RESPONSIBLE FOR FAILURES OF THAT INTERNET SERVICE OR LOST VIDEO DUE TO INTERNET RELATED ISSUES. NOTIFICATION ON VIDEO LOSS SIGNALS MAY BE INTERRUPTED DUE TO BROADBAND ISSUES BEYOND OUR CONTROL. SUBSCRIBER GIVES HOFFMAN THE RIGHT TO LOG INTO CAMERA SYSTEM FOR MONITORING AND TROUBLESHOOTING AS NECESSARY.

7. LIMITED/EXTENDED WARRANTY. For purchased Systems only, the following limited repair/replacement warranty applies:

a. WHAT IS COVERED: LIMITED WARRANTY - FOR ONE YEAR AFTER WE COMPLETE THE INSTALLATION, WE WILL PROVIDE THE FOLLOWING WARRANTY SERVICE: (1) FOR THE FIRST NINETY (90) DAYS OF THIS WARRANTY WE WILL REPAIR OR REPLACE ANY DEFECTIVE PART OF THE SYSTEM WITHOUT CHARGE TO YOU; (2) AFTER THE FIRST NINETY (90) DAYS OF THIS WARRANTY WE WILL PROVIDE A REPLACEMENT FOR ANY DEFECTIVE PART WITHOUT CHARGE, BUT YOU WILL PAY FOR ALL LABOR AT OUR PREVAILING RATES WHICH WILL INCLUDE A MINIMUM VISIT CHARGE. WE MAY USE NEW OR USED PARTS OF EQUAL QUALITY. IF EXTENDED WARRANTY IS INCLUDED, THE POLICIES IN SECTION 6 (ABOVE & BELOW) WILL BE EXTENDED AS LONG AS YOUR ACCOUNT IS IN GOOD STANDING AND EXTENDED WARRANTY PAYMENTS ARE BEING MADE.

b. HOW TO GET SERVICE: CALL OR WRITE US AT THE ADDRESS AND TELEPHONE NUMBER AT THE TOP OF THIS AGREEMENT AND TELL US WHAT IS WRONG WITH THE SYSTEM. WE WILL PROVIDE SERVICE AS SOON AS POSSIBLE DURING OUR NORMAL BUSINESS HOURS WHICH ARE 8:00 A.M. TO 4:00 P.M., MONDAY THROUGH FRIDAY, EXCLUDING HOLIDAYS WE OBSERVE. EMERGENCY REPAIR SERVICE IS AVAILABLE AT OTHER TIMES FOR AN ADDITIONAL CHARGE WHICH INCLUDES A MINIMUM ONE-HOUR VISIT CHARGE.

c. WHAT IS NOT INCLUDED: REPAIR OF THE SYSTEM IS OUR ONLY DUTY. THIS WARRANTY DOES NOT INCLUDE DISPOSABLE ITEMS SUCH AS ACCESS CONTROL CARDS, VIDEO HARDDRIVES AND BATTERIES WHICH WE WILL PROVIDE TO YOU AND YOU AGREE TO PAY FOR AT OUR PREVAILING RATES. ANY REQUIRED OR REQUESTED FIRE ALARM TESTS AND/OR INSPECTIONS ARE NOT PART OF WARRANTY SERVICE AND SHALL BE SEPARATELY BILLED TO YOU AT OUR PREVAILING RATES FOR SUCH SERVICES AND YOU AGREE TO PAY FOR THE SAME. WE MAKE NO OTHER EXPRESS WARRANTY INCLUDING ANY WARRANTY OF MERCHANTABILITY OF THE SYSTEM OR ITS FITNESS FOR ANY SPECIAL PURPOSE. WE DO NOT WARRANT THAT THE SYSTEM WILL ALWAYS DETECT, OR HELP PREVENT, ANY BURGLARY, INTRUSION, FIRE, HOLD-UP OR OTHER SUCH EVENT. WE DO NOT WARRANT THAT THE SYSTEM CANNOT BE DEFEATED, BYPASSED OR COMPROMISED OR THAT IT WILL ALWAYS OPERATE. THIS WARRANTY DOES NOT COVER REPAIRS THAT ARE NEEDED BECAUSE OF AN ACCIDENT, ACTS OF GOD, YOUR FAILURE TO PROPERLY USE THE SYSTEM, OR IF SOMEONE OTHER THAN US ATTEMPTS TO REPAIR OR CHANGE THE SYSTEM, OR ANY OTHER REASON EXCEPT A DEFECT IN THE EQUIPMENT OR OUR INSTALLATION. ALL IMPLIED

WARRANTIES ARE LIMITED IN DURATION TO THE TERM OF THIS EXPRESSED LIMITED WARRANTY. WE ARE NOT LIABLE FOR CONSEQUENTIAL OR INCIDENTAL DAMAGES. YOU AGREE THAT THIS IS OUR ONLY WARRANTY AND WE HAVE GIVEN YOU NO OTHER WARRANTY FOR THE SYSTEM. d. STATE LAW: SOME STATES DO NOT ALLOW THE EXCLUSION OR THE LIMITATION OF CONSEQUENTIAL OR INCIDENTAL DAMAGES, OR A LIMITATION ON THE DURATION OF IMPLIED WARRANTIES, SO THE ABOVE LIMITATIONS OR EXCLUSIONS MAY NOT APPLY TO YOU. THE WARRANTY GIVES YOU SPECIFIC LEGAL RIGHTS AND YOU MAY ALSO HAVE OTHER RIGHTS WHICH MAY VARY FROM STATE TO STATE.

8. **CAMERA MAINTENANCE.** Camera Maintenance includes daily health alerts to be sent to Company if one of the cameras loses their picture or if the hard drive on the recorder fails. Subscriber is responsible for maintaining high speed internet connection. Once per month, if remote access is made available by client and conditions permit, Hoffman will remotely attempt to determine camera system is functioning as intended by using any combination of methods such as checking: system is accessible, recorded video, live video, camera views, views obscured, or other processes to attain general system health. Camera maintenance also includes an annual camera cleaning to be scheduled by the client. Finally, it covers all normal wear and tear on the equipment so if any camera or the recorder fails, we will replace it at no cost to subscriber. Any repair work necessary will be done during normal business hours

9. **ALARM SYSTEM MONITORING SERVICE.** If you have subscribed to monitoring service, we shall connect the alarm system(s) to our monitoring facility (the "Center") and monitoring will be provided in accordance with our Agreement. We will charge you directly for monitoring which will be billed to you by us pursuant to this Agreement. When a burglary, fire, duress, medical or other alarm signal from the System is received in the Center, we will call your premises first, followed by the first person designated on Subscriber's Emergency Notification List, and then try to telephone the proper police or fire department and the other persons designated on Subscriber's Emergency Notification List. **HOFFMAN AND THE CENTER DO NOT PROVIDE MEDICAL SERVICES OR MEDICAL ADVICE.** When a non-emergency signal is received (e.g. temperature or pump water flow sensors), we will attempt to contact the premises and then the first available person on your Subscriber information form but will not notify emergency authorities. We reserve the right to verify all alarm signals by using the two-way voice or visual devices, if one has been installed, calling the premises or otherwise before notifying the government agencies. We may choose not to notify the government agencies if we have reason to believe that an emergency condition does not exist. We and you are obligated to comply with all notification and response requirements imposed by governmental agencies having jurisdiction over your system. We may discontinue or change any particular response service due to governmental or insurance requirements by giving you written notice. If your police or fire department now or in the future requires physical or visual verification of an emergency condition before responding to a request for assistance, you agree to subscribe to such service if provided by us, or otherwise comply with such requirements. *If Hoffman dispatches a Guard Company, subscriber is responsible to pay a response fee will each time Guard Company is dispatched.* We may charge an additional fee for such service that will be added to the then current monthly fee. *Subscriber is responsible for any city or county alarm permit fees.* You acknowledge and agree that all monitoring firmware and software, computer codes and monitoring information remain our sole and exclusive property. You consent to the tape recording of all telephonic communications with our office or the Center. *If Hoffman is providing Video Verification, standard dispatching procedures shall apply on all accounts with Video.* We will charge you directly for monitoring which will be billed to you by us pursuant to this Agreement. False alarm charges shall be your responsibility.

10. **TRANSMISSION LINES.** The alarm system may include a communicator that sends signals to the Center over your regular telephone service, or Internet, cellular service or long-range radio. If telephone service is used, you will pay for all telephone charges including any installation fee for a special jack to connect the alarm system to your telephone service. We recommend the use of an RJ31X or equivalent telephone jack to give the alarm system priority over other telephones in your premises, however, when the alarm system is activated, you will be unable to use your telephone to make other calls (such as calls to the 911 emergency operator), and therefore, you may wish to have the System connected to a second telephone line. If your telephone is out of order, placed on vacation status or otherwise not working, signals cannot be transmitted and we will not know of the telephone service problem. If an Internet, cellular or radio system is used for transmitting alarm signals from your premises to the Center, you acknowledge that the use of such system may be controlled by the California Public Utilities Commission and Federal Communications Commission and changes in rules, regulations and policies may necessitate our discontinuing or changing such transmission facilities at our option. Communications systems may be impaired or interrupted by atmospheric conditions, including interruptions caused by an Internet provider, electrical storms, power failures or other outages, conditions and events beyond our control. You may be required to execute an additional agreement for Internet, cellular or radio transmission service. You agree to reimburse us for any costs we may incur to reprogram the communications device of the alarm system because of area code changes or other dialing pattern changes. The use of DSL, VoIP, BPL or other broadband telephone service may prevent the System from transmitting alarm signals to the monitoring facility and/or interfere with the telephone line-seizure feature of the alarm system, after it is installed or anytime in the future. Such services should be installed on a telephone number that is not used for alarm signal transmission. You agree to notify us if you have installed or intend to install DSL, VoIP, BPL or other broadband service. **IMMEDIATELY AFTER THE INSTALLATION OF DSL, VoIP, BPL OR OTHER BROADBAND SERVICE YOU MUST TEST THE SYSTEM'S SIGNAL TRANSMISSION WITH THE CENTER.**

11. **FALSE ALARMS.** You agree that you and others using the System will use it carefully so as to avoid causing false alarms. Severe weather or other forces beyond our control can cause false alarms. If we receives too many false alarms, that will constitute a breach of contract by you, and we may cancel monitoring and service and seek to recover damages. You will pay any false alarm fine, penalty or fee that is charged against you, and if a false alarm fine, penalty or fee is charged to us by any governmental agency, you will pay for the charge.

12. **AFTER WARRANTY REPAIR SERVICE.** At the end of our one (1) year limited warranty we will continue to repair the System and provide equipment on a time and material basis. You will pay our standard parts and labor charges for all repair calls and supplies. There will be a one (1) hour minimum visit charge for each repair call. See Section 7(b) of our Limited Warranty on how to get repair service.

(B) For Systems provided to you by Hoffman, except as limited below, we shall provide repair service for the System including all parts and labor. All repairs shall be performed during normal business hours, which are 8:00 am to 4:00 pm, Monday through Friday, except holidays we observe, and will be performed as soon as reasonably possible after receipt of notice from you. Emergency service is available at other times at our prevailing service rates. You agree to pay for all parts and labor necessary to repair the System as a result of damage to the System caused by accident, your misuse or modification of the System, acts of God, or attempted repair service performed by anyone other than Company or our designee and charges for such repairs will be based on our then existing labor and material rates and will include a minimum one (1) hour visit charge and will be due and payable upon completion of the work. **YOU AGREE TO PAY FOR ANY DISPOSABLE ITEMS SUCH AS ACCESS CONTROL CARDS, VIDEO HARDDRIVES AND BATTERIES WHICH WE WILL PROVIDE TO YOU AND YOU AGREE TO PAY FOR AT OUR PREVAILING RATES.** If you fail to pay for such charges upon completion of the work, we may terminate this Agreement. For fire alarm or sprinkler supervisory systems we will provide inspection and testing service as set forth on the equipment description. Inspections and tests will be performed only during our normal business hours described above. We have no obligation to repair equipment to which the System is attached (e.g., a sprinkler system or access control system).

13. **SUBSCRIBER'S DUTIES.** You will instruct all other persons who may use the System on its proper testing and use. You will test the alarm system's protective devices and send test signals to the Center in accordance with our instructions at least monthly. If the security alarm system includes space protection (e.g., infrared, photo beams or other such detectors) you will turn off, control, relocate or remove all things such as air conditioning systems, inventory, furniture, heaters, and other such devices that might interfere with such devices when they are turned on. If a problem in the System occurs you will notify us. You will complete and give us an emergency information form which will include the name, telephone number and relationship of each person we may call in the event we believe there is an emergency at your premises, and other information we may require. In the case of a fire alarm or sprinkler system, you will notify us in writing of any change in your fire rating bureau or agency. You will notify Hoffman in writing of any changes in the information set forth on the Emergency Notification List. You agree that we may disclose the information regarding your system and on the Emergency Notification List to any governmental agency having jurisdiction over the use and operation of the System, without notice to you. You are solely responsible for (i) issuing and controlling access control cards and (ii) providing and maintaining video for CCTV systems and we do not provide film developing or video editing services.

14. **SUSPENSION OR CANCELLATION OF THIS AGREEMENT.** You understand that we may stop or suspend monitoring and other services if: (i) strikes, severe weather, earthquakes or other such events beyond our control affect the operation of Hoffman or so severely damage your premises that continuing service would be impractical; (ii) there is an interruption or unavailability of the telephone service between the alarm system and our monitoring facilities; (iii) you do not pay the service charge due to us, after we have given you ten days notice that we are canceling service because of non-payment; (iv) we are unable to provide service because of some action or ruling by any governmental authority;



and/or (v) you become a debtor in a bankruptcy proceeding. If service is canceled or this Agreement expires or is terminated for any reason, you authorize us to remotely disconnect the alarm system communicator from our facility and/or enter your premises to disconnect the alarm system from our monitoring equipment and remove our signs, decals and communications software from your System and premises. If service is suspended because you have failed to pay the charges set forth herein, and you ask us to reactivate the System, you will pay, in advance, our then prevailing re-connection fee. YOU UNDERSTAND THAT THE ALARM SYSTEM MAY NOT WORK WITH EQUIPMENT USED BY OTHER ALARM COMPANIES OR MONITORING CENTERS.

**15. TERMINATION, DEFAULT, TITLE TO SYSTEM** In the event you are not the owner of the premises, you warrant that you have obtained the written consent of the owner for the installation and removal of the System. You authorize us to investigate your credit record, and to report your payment performance under this Agreement to credit agencies and credit reporting services. If you fail to make any payment when due we may discontinue installation, monitoring and service, terminate this Agreement and recover all damages to which we are entitled including, without limitation, the value of the work performed and the amount due to us for the unexpired term of the Agreement, including loss of profits. In addition we may impose a late charge on all payments for services that are more than ten (10) days past due, in the amount equal to ten dollars (\$10.00) or the maximum amount permitted by California law whichever is less. In no event shall Hoffman's failure to enforce this provision at any time be deemed to be a waiver by Hoffman to assert its rights created hereunder or to assess the late charge in the future. Unless you purchased the System from us (and the first box under Section 1 is checked), you acknowledge and agree to the following: (A) This Agreement is a service agreement only and THE ENTIRE SYSTEM SHALL AT ALL TIMES REMAIN THE SOLE PROPERTY OF HOFFMAN. (B) You will not damage, encumber or dispose of the System or permit the System to be damaged, encumbered, taken from the premises, tampered with or repaired by any but our service personnel. (C) In the event of loss or damage to the System or any part thereof, you agree to pay us the System's reasonable replacement value or the cost of repair as the case may be. At the expiration of this Agreement or in the event of your default, you authorize us to enter your premises and to remove all or any portion of the System. (D) We may elect to abandon all or any portion of the System. (E) Removal of the System shall be without prejudice to the collection of any and all sums due under the entire contract or extensions or renewals thereof, including, but not limited to, recovery of our loss of profit for any unexpired term of this Agreement. (F) You will return the System to us in good condition, reasonable wear and tear excepted. (G) You agree that installation of the System does not create a fixture to your premises. In the event you are not the owner of the premises, you warrant that you have obtained the written consent of the owner for the installation and removal of the System.

**16. ASSIGNEES AND SUBCONTRACTORS.** We may transfer or assign this Agreement to any other security company, financial institution or other entity. Upon an assignment to another security company, Hoffman will be relieved of any further obligations hereunder. You may not transfer this Agreement to someone else (including someone who purchases or rents your premises) unless we approve the transfer in writing. We may use subcontractors to provide installation, repair, monitoring and other services. This Agreement, and particularly sections 16 and 17, shall apply to the work and services they provide, and shall apply to them and protect our assignees and subcontractors in the same manner as it applies to and protects us.

**17. CHANGES TO THE SYSTEM.** If you or any governmental agency or insurance interest wants us to change the System described herein, or change it after it is installed, you agree to pay our standard parts and labor charges for such changes. YOU AGREE THAT YOU HAVE CHOSEN THE SYSTEM AND YOU UNDERSTAND THAT ADDITIONAL OR DIFFERENT PROTECTION IS AVAILABLE FOR A HIGHER PRICE.

**18. HOFFMAN IS NOT AN INSURER; LIQUIDATED DAMAGES; LIMITATION OF LIABILITY.** You understand that (a) we are not an insurer of your property or the personal safety of persons in your premises; (b) you should provide any insurance on your premises and its contents; (c) the amount you pay to us is based only on the value of the System and services we provide and not on the value of your premises or its contents; (d) alarm systems and our monitoring and repair service may not always operate properly for various reasons; (e) it is difficult to determine in advance the value of the your property that might be lost, stolen or destroyed if the System or our service fails to operate properly; (f) a CCTV or access control system may not detect or prevent an unauthorized intrusion onto the premises or unauthorized activities (including criminal conduct) by persons on the premises; (g) it is difficult to determine in advance how fast the police or fire department or others would respond to an alarm signal; and (h) it is difficult to determine in advance what portion, if any, of any property loss, personal injury or death would be proximately caused by our failure to perform, our negligence, or a failure of the System. Therefore you agree that, even if a court decides that Hoffman's breach of this Agreement, a failure of the System, or our negligence, or a failure of the System, installation, monitoring, repair service, or other services caused or allowed any harm or damage (whether property damage, personal injury or death) to you or anyone in your premises, you agree that our liability shall be limited to the lesser of \$250.00 or six (6) times the quarterly services fee, as liquidated damages and not as a penalty, and this shall be your only remedy regardless of what legal theory (including without limitation, negligence, breach of contract, breach of warranty or product liability) is used to determine that we were liable for the injury or loss. YOU MAY OBTAIN A LIMITATION OF LIABILITY. If you wish, you may obtain from us a limitation of liability for an additional periodic charge. If you elect this option, we will attach a rider to this Agreement which will set forth the amount of the limitation of liability and the amount of the additional charge. Agreeing to the higher limitation of liability does not mean that we are an insurer.

**19. THIRD PARTY INDEMNIFICATION AND SUBROGATION.** If anyone other than you, asks us to pay for any harm or damages (including property damage, personal injury or death) connected with or resulting from (i) Hoffman's breach of this Agreement or a failure of the System or services, (ii) our negligence, (iii) any other improper or careless activity of ours in providing the System or services or (iv) a claim for indemnification or contribution, you will pay us (a) any amount which a court orders us to pay or which we reasonably agree to pay, and (b) the amount of our reasonable attorneys' fees and any other losses or costs that we may pay in connection with the harm or damages. Your obligation to pay us for such harm or damages shall not apply if the harm or damages happens while one of our employees or subcontractors is in or about your premises, and that employee or subcontractor solely causes such harm or damages. Unless prohibited by your property insurance policy, you agree to release us from any claims of any parties suing through your authority or in your name, such as your insurance company, and you agree to defend us against any such claim. You will notify your insurance company of this release.

**20. LIMITATION ON LAWSUITS; REFERENCE.** Both Hoffman and Subscriber agree that no law suit or any other legal proceeding connected with this Agreement shall be brought or filed more than two (2) years after the incident giving rise to the claim occurred. Any controversy, dispute, or claim between the parties arising out of or relating to this Agreement, (other than actions brought by Hoffman in small claims court to collect amounts due under this Agreement) will be settled by a reference proceeding in Merced, California, in accordance with the provisions of Section 638, et seq. of the California Code of Civil Procedure, or their successor section, which shall constitute the exclusive remedy for the resolution of any controversy, dispute, or claim concerning this Agreement, including whether such controversy, dispute, or claim is subject to the reference proceeding. The referee shall be appointed to sit as a temporary Judge with all of the powers of a temporary Judge authorized by law. In the event that the enabling Legislation, which provides for the appointment of a referee is repealed and no successor statute is enacted, any dispute between the parties that would otherwise be determined by a reference procedure herein, will be resolved and determined by binding arbitration. That arbitration will be conducted by a retired Judge of the Superior Court in accordance with Section 1280 to 1294.2 of the California Code of Civil Procedure, as amended from time to time. The arbitrator shall not have the power to commit errors of law or legal reasoning, and the award may be vacated or corrected on appeal to a court of competent jurisdiction for any such error. The arbitrator shall allocate all the costs of the arbitration, including fees of the arbitrator and reasonable attorney's fees of the prevailing party against the party who did not prevail. Judgment on the award may be entered in any court having jurisdiction.

**21. INCREASE IN SERVICES FEE.** Notwithstanding any other term or condition set forth herein, after the expiration of one (1) year from the date of completion of installation, we may at any time and from time to time, but not more than once in any twelve (12) month period, increase the monthly services fee by a percentage not to exceed ten percent (10%) of the monthly services fee in effect immediately prior to the effective date of the increase, by giving you thirty (30) days prior written notice of the amount of the increase and you agree to pay the same.

**22. INFORMATION AND PRIVACY.** You understand and agree that in conjunction with employee training, quality control and the provision of services, we may monitor, record, store and, if necessary, disclose to third parties video and audio related to monitored activity at your location, as well as conversations with you, emergency services providers, and law enforcement personnel. You consent to such recording, storage, and disclosure on behalf of yourself and any minor children for whom you are the parent or legal guardian. You further agree and represent that you have or will have obtained consent to such recording, storage, and disclosure from any other individuals who live or work at, or otherwise frequent, your premises, including consent on behalf of any minor children for whom such individuals are the parents or legal guardians. Further, you understand that privacy cannot be guaranteed on telephone, cable and computer systems, and we shall not be liable to you for any claims, loss, damages or costs which may result from a lack of privacy experienced. You consent to us (i) using information about you and your location (collectively, "information") to administer services, offer you new products or services, enforce the terms of this agreement, prevent fraud and respond to regulatory and legal requirements, (ii) provide information, including information contained on your emergency

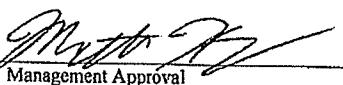
information to law enforcement or fire service personnel for the purpose of providing services hereunder or in response to a subpoena or other such legal process, and (iii) using and sharing aggregate customer information and statistics that do not include information that identifies you personally. Except as required to provide the services that you have selected, we will not monitor your location. You further acknowledge and assume risks related to data security breaches and cybercrime, as a result of which information about you and your premises may be compromised, intercepted and/or used by third parties in a way that would compromise the security of your information, your safety and/or privacy, and the privacy and safety of persons and property on your premises.

23. **ENTIRE AGREEMENT.** The entire and only agreement between you and Hoffman is written in this Agreement. They replace any earlier oral or written understandings or agreements. They may only be changed by a written agreement signed by you and us. THEY MAY NOT BE CHANGED BY ANY ORAL STATEMENTS MADE BY OUR SALES AGENT. If you have given or ever give us a purchase order for the System or service which provides for different terms than this Agreement, this Agreement will govern and be controlling. If any provision of this Agreement is found to be invalid or illegal by a court, the balance of the Agreement shall remain in force. You agree that this Agreement is performed in the state of California and shall be governed by the laws of California.

24. **OUR LICENSES.** ALARM COMPANY OPERATORS ARE LICENSED AND REGULATED BY THE BUREAU OF SECURITY AND INVESTIGATIVE SERVICES, DEPARTMENT OF CONSUMER AFFAIRS, SACRAMENTO, CALIFORNIA 95814. CONTRACTORS ARE REQUIRED BY LAW TO BE LICENSED AND REGULATED BY THE CONTRACTORS' STATE LICENSE BOARD WHICH HAS JURISDICTION TO INVESTIGATE COMPLAINTS AGAINST CONTRACTORS IF A COMPLAINT REGARDING A PATENT ACT OR OMISSION IS FILED WITHIN FOUR YEARS OF THE DATE OF THE ALLEGED VIOLATION. A COMPLAINT REGARDING A LATENT ACT OR OMISSION PERTAINING TO STRUCTURAL DEFECTS MUST BE FILED WITHIN 10 YEARS OF THE DATE OF THE ALLEGED VIOLATION. ANY QUESTIONS CONCERNING A CONTRACTOR MAY BE REFERRED TO THE REGISTRAR, CONTRACTORS' STATE LICENSE BOARD P.O. BOX 26000, SACRAMENTO, CALIFORNIA 95826. **CANCELLATION.** [RESIDENTIAL SYSTEMS ONLY] YOU, THE SUBSCRIBER, MAY CANCEL THIS AGREEMENT AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THIS TRANSACTION. SEE THE ATTACHED NOTICE OF CANCELLATION FORM FOR AN EXPLANATION OF THIS RIGHT.

HOFFMAN ELECTRONIC SYSTEMS

By \_\_\_\_\_  
(Sales Agent & Agent Reg #)

  
Management Approval

Date: 4/11, 2020

\_\_\_\_\_  
[Print Subscriber's Name]


By \_\_\_\_\_

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

Type of Entity:  
☐ Sole Proprietorship ☐ Partnership  
☐ Corporation/LLC ☐ Other

THIS AGREEMENT WILL NOT BE BINDING UPON HOFFMAN UNTIL EITHER (i) APPROVED BY ONE OF OUR MANAGERS OR (ii) WE START THE INSTALLATION. IN THE EVENT OF NON-APPROVAL, OUR ONLY LIABILITY SHALL BE TO REFUND TO YOU THE AMOUNT THAT YOU PAID TO US UPON THE SIGNING OF THIS AGREEMENT. SUBSCRIBER ACKNOWLEDGES AND AGREES THAT SUBSCRIBER MAY NOT RECEIVE A COPY OF THIS AGREEMENT APPROVED BY HOFFMAN'S MANAGER, AND SUCH LACK OF RECEIPT SHALL NOT, IN ANYWAY, INVALIDATE OR OTHERWISE AFFECT THIS AGREEMENT. THE CITY OR COUNTY IN WHICH YOUR BUSINESS IS LOCATED MAY REQUIRE THAT YOU OBTAIN A PERMIT FOR THE USE AND MONITORING OF THE SYSTEM. LOCAL AUTHORITIES MAY NOT RESPOND TO ALARM NOTIFICATIONS UNTIL ALL PERMITS OR LICENSES FOR USE OF THE SYSTEM HAVE BEEN OBTAINED, AND THEREFORE COMPANY MAY NOT BEGIN MONITORING UNTIL SUBSCRIBER HAS OBTAINED AT SUBSCRIBER'S EXPENSES ALL NECESSARY PERMITS OR LICENSES, AND PROVIDED COMPANY WITH THE LICENSE OR PERMIT NUMBER. SUBSCRIBER AGREES DIGITAL SIGNATURES AND ELECTRONIC TRANSMISSION OF DOCUMENTATION IS LEGALLY BINDING AND JUST THE SAME AS ORIGINAL WET PEN-AND-PAPER SIGNATURES.

APPROVED AS TO FORM:

 4/13/20  
SCHUYLER A. CAMPBELL Date  
Deputy City Attorney

5 OF 5 Pages

Hoffman 1411

Subscriber \_\_\_\_\_



## ADMINISTRATIVE REPORT

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### Agenda Item I.5.

Meeting Date: 5/18/2020

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*Report Prepared by:* Steven S. Carrigan, City Manager

**SUBJECT:** Adoption of Resolution Terminating the Local Emergency Declared by the Director of Emergency Services on March 13, 2020 Pursuant to Merced Municipal Code Chapter 8.20

### REPORT IN BRIEF

Asking the City Council to Terminate the Local Emergency Declared by the Director of Emergency Services.

### RECOMMENDATION

**City Council** - Adopt a motion adopting **Resolution 2020-26**, a Resolution of the City Council of the City of Merced, California, Terminating the Local Emergency Declared by the Director of Emergency Services on March 13, 2020 Pursuant to Merced Municipal Code Chapter 8.20.

### ALTERNATIVES

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

### AUTHORITY

Charter City of Merced, Sec. 200, Merced Municipal Code Chapter 8.20, and the Emergency Services Act.

### CITY COUNCIL PRIORITIES

As provided for in the 2019-20 Adopted Budget

### DISCUSSION

The novel coronavirus outbreak began in Wuhan China in 2019 and spread across the globe and into the United States. Friday, March 13, 2020, the President of the United States declared a national emergency due to the outbreak. Also on that date, Merced County declared a state of emergency. This followed the March 4, 2020 state of emergency that was declared by Gov. Newsom.

The City Manager declared a local emergency on March 13, 2020. The City Council ratified the local emergency at the April 6, 2020 Council meeting.

Following the declarations, much changed for the City of Merced. City staff began meeting with groups and organizations throughout the community to discuss the coronavirus outbreak and its effect on their memberships. State guidelines called for large gatherings to be cancelled, along with small ones where people cannot maintain social distancing. The Senior Center was closed for all activities. Schools cancelled sporting events and other activities. Council meetings went telephonic and virtual. City facilities were closed to the public and many “non-essential” City employees worked remotely.

As of 8 a.m. Sunday, May 10, 2020, there were 3,917,366 cases worldwide, and 274,361 deaths, according to the World Health Organization. The Centers for Disease Control listed 1,300,696 cases of COVID19 in the United States as of May 10, 2020, with 78,771 fatalities. There were 66,680 cases of the disease in California on that date, with 2,745 fatalities.

Locally, Merced County had 180 cases of COVID19, with 67 active cases and 109 recovered cases. There were four people who had died. There were 61 people in the City of Merced who had been diagnosed with COVID19. (Data points are from May 14, 2020.)

Since that time, the Governor has taken a number of actions to reopen the state, and those moves have been followed by Merced County. On May 8, 2020, Gov. Newsom modified the Stay-At-Home order to allow counties to move to Stage 2 and allow lower risk workplaces to reopen.

Many businesses that had been deemed “non-essential” were allowed to reopen under the Stage 2 plan. The City Council has been supportive of plans to reopen local businesses. The City Manager has ordered staff to begin reopening City facilities, while following State and County directives. All City operations have been undergoing a re-examination to see how the face-to-face interactions can be limited and social distancing maintained.

Rescinding the emergency order will not affect the City’s expense reimbursement, because we could be done under Merced County’s emergency declaration.

## **IMPACT ON CITY RESOURCES**

No appropriation of funds is needed.

## **ATTACHMENTS**

1. Resolution 2020-26

**RESOLUTION NO. 2020-\_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF MERCED, CALIFORNIA,  
TERMINATING THE LOCAL EMERGENCY  
DECLARED BY THE DIRECTOR OF  
EMERGENCY SERVICES**

**WHEREAS**, Chapter 8.20 of the Merced Municipal Code empowers the Director of Emergency Services to proclaim the existence or threatened existence of a local emergency when the City Council is not in session, subject to ratification by the City Council; and

**WHEREAS**, on March 13, 2020, the City Manager, acting as the Director of Emergency Services, did proclaim a local emergency; and

**WHEREAS**, on March 16, 2020, the City Council ratified the proclamation of local emergency in accordance with Chapter 8.20 of the Merced Municipal Code; and

**WHEREAS**, on May 4, 2020, the City Council continued the declaration of the local emergency in accordance with the Emergency Services Act; and

**WHEREAS**, the City has confirmed that it is eligible for reimbursement for COVID-19 related costs pursuant to the Countywide declared emergency; and

**WHEREAS**, the Director of Emergency Services is recommending the declaration of local emergency be terminated because although COVID-19 cases continue to increase, the increase is, in part, due to increased testing and, to date, the systems (i.e. health care in Merced) and planning have proved to be adequate to address the increase in cases; and,

**WHEREAS**, the City Council is willing to terminate the City of Merced local emergency, at this time, subject to the Governor's declared emergency and orders, Merced County's declared emergency and orders, and the Merced County Health Officers declared health emergency and orders; and

**NOW, THEREFORE, IT IS HEREBY RESOLVED AND ORDERED** that said local emergency and any orders issued by the Emergency Services Director are declared terminated by this resolution of the City Council of the City of Merced, State of California.

**PASSED AND ADOPTED** by the City Council of the City of Merced at a regular meeting held on the \_\_\_\_\_ day of \_\_\_\_\_, 2020, by the following called vote:

AYES: Council Members:

NOES: Council Members:

ABSENT: Council Members:

ABSTAIN: Council Members:

APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:  
STEVE CARRIGAN, CITY CLERK

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

(SEAL)

APPROVED AS TO FORM:

Phaedra C. Hahn      5/13/2020  
City Attorney      Date



## ADMINISTRATIVE REPORT

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**Agenda Item I.6.**

Meeting Date: 5/18/2020

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*Report Prepared by: Venus Rodriguez, Finance Officer*

**SUBJECT:** Adoption of Resolution Approving a One Time Utility Rebate of \$25.00 for Each Residential, Commercial, and Industrial Water and Sewer Service on the June Water and Sewer Statement

### REPORT IN BRIEF

Considers providing a utility rebate to all water and sewer customers.

### RECOMMENDATION

**City Council** - Adopt a motion:

- A. Adopting **Resolution 2020-27**, a Resolution of the City Council of Merced, California, authorizing the City Manager to provide economic assistance related to the economic impacts of COVID-19: and,
- B. Authorizing the Finance Officer to administer the rebates.

### ALTERNATIVES

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

### AUTHORITY

City of Merced Charter Article IV. City Council Section 405 - Powers vested in the city council.

### CITY COUNCIL PRIORITIES

City Council ratified Local Emergency due to COVID-19 on March 16, 2020 with Resolution 2020-10 and continued the declaration on May 4, 2020 with Resolution 2020-23.

Provide Economic Assistance.

### DISCUSSION

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The novel coronavirus outbreak began in Wuhan China in 2019 and spread across the globe and into the United States. As of Monday, May 4, 2020, there are 142 positive cases of COVID-19 and 3 deaths in Merced County.

Friday, March 13, 2020, the President of the United States declared a national emergency due to the outbreak. Also, on Friday, Merced County declared a state of emergency. This followed the March 4, 2020 state of emergency that was declared by Gov. Newsom. The City of Merced City Manager also declared a local emergency as the Director of Emergency Services, which was ratified by the City Council on March 16, 2020 and continued on May 4, 2020.

The City of Merced is facing an unprecedented situation with the COVID-19 emergency. The County of Merced has issued Shelter in place orders. Local residents and businesses are experiencing significant economic losses.

On April 20, 2020, the City Council appointed a subcommittee and directed staff to provide possible measures to assist local businesses and residents through a proposed COVID-19 Recovery Plan. On May 4, 2020, several options were presented to the City Council, including a utility rebate for all water and sewer customers.

City Council voted 6-1 to move forward with a utility rebate including a one-time \$25 rebate to all water customers and a one-time \$25 rebate to all sewer customers as part of the June 2020 utility billing. This includes, residents, small business, commercial, and industrial accounts. In order to move forward with the rebate process the City Council needs to approve a resolution. The maximum approved proposition 218 rate will be charged without reduction. In addition, the one time (temporary rebate) will be applied to the maximum rate. Since the maximum rate is not reduced and the rebate is one time and temporary, there is no increase which requires voter approval.

## **IMPACT ON CITY RESOURCES**

The City of Merced currently administers approximately 22,000 water and sewer accounts. This rebate would create a \$550,000 revenue impact to the Water Operations Enterprise Fund 557 and \$550,000 revenue impact to the Wastewater Operations Enterprise Fund 553, totaling \$1.1 million.

## **ATTACHMENTS**

1. Resolution 2020-27



**RESOLUTION NO. 2020-\_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF MERCED, CALIFORNIA,  
AUTHORIZING THE CITY MANAGER TO  
PROVIDE ECONOMIC ASSISTANCE RELATED  
TO THE ECONOMIC IMPACTS OF COVID-19**

WHEREAS, international, national, state, and local health and governmental authorities are responding to an outbreak of respiratory disease caused by a novel coronavirus, (“COVID-19”); and

WHEREAS, on March 4, 2020, the Governor of the State of California declared a state of emergency to make additional resources available, formalize emergency actions already underway across multiple state agencies and departments, and help the state prepare for broader spread of COVID-19; and

WHEREAS, on March 13, 2020, the President of the United States of America declared a national emergency and announced that the federal government would make emergency funding available to assist state and local governments in preventing the spread of and addressing the effects of COVID-19; and

WHEREAS, the City Manager proclaimed the existence of a local emergency on March 13, 2020, which was ratified and affirmed by the City Council at its March 16, 2020 meeting; and

WHEREAS, on May 4, 2020, the City Council, at the request of the Director of Emergency Services, adopted resolution 2020-23, continuing the declaration of a local emergency; and

WHEREAS, the Centers for Disease Control and Prevention, the California Department of Health, and the Merced County Health Officer have all issued shelter in place orders to enforce social distancing, prohibited group events, and taken other precautions to protect public health and prevent transmission of this communicable virus; and

WHEREAS, as a result of the public health emergency and the precautions recommended by health authorities, residents and businesses in Merced will experience sudden and unexpected income loss.

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

SECTION 1. The City Council hereby authorizes the City Manager to provide the following economic assistance related to the economic impacts of the COVID-19 emergency:

- A. Apply a one-time (temporary) utility rebate of \$25.00 for each residential, commercial, and industrial water and sewer service on the June statement.
- B. The one-time (temporary) rebate will automatically expire once it is applied.

PASSED AND ADOPTED by the City Council of the City of Merced at a regular meeting held on the \_\_\_\_ day of \_\_\_\_\_ 2020, by the following vote:

AYES: Council Members:

NOES: Council Members:

ABSENT: Council Members:

ABSTAIN: Council Members:

APPROVED:

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Mayor


ATTEST:

STEVE CARRIGAN, CITY CLERK

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

(SEAL)

APPROVED AS TO FORM:

 5/13/2020  
City Attorney      Date



## ADMINISTRATIVE REPORT

Agenda Item I.7.

Meeting Date: 5/18/2020

*Report Prepared by: Venus Rodriguez, Finance Officer*

**SUBJECT:** Adoption of Resolution Approving the Deferral for 90 Days Transient Occupancy Tax Payments for the First Calendar Quarter for Qualifying Owners/Operators as Requested by the Merced Hotel Motel Association

### REPORT IN BRIEF

Considers deferring payment of Transient Occupancy Tax (TOT).

### RECOMMENDATION

**City Council** - Adopt a motion:

- A. Adopting **Resolution 2020-20**, a Resolution of the City Council of Merced, California, authorizing the City Manager to provide economic assistance related to the economic impacts of COVID-19: and,
- B. Authorizing the Finance Officer to administer the deferrals.

### ALTERNATIVES

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

### AUTHORITY

City of Merced Charter Article IV. City Council Section 405 - Powers vested in the city council.

### CITY COUNCIL PRIORITIES

City Council ratified Local Emergency due to COVID-19 on March 16, 2020 with Resolution 2020-10.

Provide Economic Development assistance.

### DISCUSSION

The novel coronavirus outbreak began in Wuhan China in 2019 and spread across the globe and into

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the United States. As of Monday, May 4, 2020, there are 142 positive cases of COVID-19 and 3 deaths in Merced County.

Friday, March 13, 2020, the President of the United States declared a national emergency due to the outbreak. Also, on Friday, Merced County declared a state of emergency. This followed the March 4, 2020 state of emergency that was declared by Gov. Newsom. The City of Merced City Manager also declared a local emergency as the Director of Emergency Services, which was ratified by the City Council on March 16, 2020 and continued on May 4, 2020.

The City of Merced is facing an unprecedented situation with the COVID-19 emergency. The County of Merced has issued Shelter in place orders. Local businesses are experiencing economic losses.

On April 2, 2020, the City received a request (attached) from the Merced Hotel Motel Association to defer TOT payments including any late fees or penalties for at least 90 days.

Local hotels pay the City TOT payments, equivalent to 10% of the cost of a room night. Hotels collect the TOT when the room night is paid for and then remit the TOT to the City quarterly. With current travel and entertainment restrictions, hotel occupancy is extremely low and is likely to remain at unsustainably low levels until restrictions are eased. On May 4, 2018 the City Council directed staff to allow hotels to defer the payment of their TOT as follows:

- January, February, and March quarter reported by April 30th but pay by July 31st. (90 day extension)

Hotels and motels would continue to report the TOT revenue amounts to the City as they normally would so that Finance could book the revenues. In order for the customer to be able to take part in the TOT deferral they have to be in good standing and not have any outstanding TOT. If the City Council approves the deferral of TOT this would push back actual receipt of revenue, which would provide a cash flow bridge to help hotels and motels in the short term.

## **IMPACT ON CITY RESOURCES**

TOT is part of the City's General Fund and is a critical revenue. In a normal year, the City receives approximately \$1.8 to \$2 million in TOT. By allowing to push back actual cash receipts this could impact City cash flows. This is not a large amount compared to other major revenues of the City which, we are also seeing potential of push back of receipts in those areas too. With occupancies at unprecedented low levels, the amount of TOT actually due to the City is likely to be substantially less.

## **ATTACHMENTS**

1. Resolution 2020-20
2. Letter from the Motel Hotel Association

**RESOLUTION NO. 2020-\_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF MERCED, CALIFORNIA,  
AUTHORIZING THE CITY MANAGER TO  
PROVIDE ECONOMIC ASSISTANCE RELATED  
TO THE ECONOMIC IMPACTS OF COVID-19**

WHEREAS, international, national, state, and local health and governmental authorities are responding to an outbreak of respiratory disease caused by a novel coronavirus, (“COVID-19”); and

WHEREAS, on March 4, 2020, the Governor of the State of California declared a state of emergency to make additional resources available, formalize emergency actions already underway across multiple state agencies and departments, and help the state prepare for broader spread of COVID-19; and

WHEREAS, on March 13, 2020, the President of the United States of America declared a national emergency and announced that the federal government would make emergency funding available to assist state and local governments in preventing the spread of and addressing the effects of COVID-19; and

WHEREAS, the City Manager proclaimed the existence of a local emergency on March 13, 2020, which was ratified and affirmed by the City Council at its March 16, 2020 meeting; and

WHEREAS, on May 4, 2020, the City Council, at the request of the Director of Emergency Services, adopted resolution 2020-23, continuing the declaration of a local emergency; and

WHEREAS, the Centers for Disease Control and Prevention, the California Department of Health, and the Merced County Health Officer have all issued shelter in place orders to enforce social distancing, prohibited group events, and taken other precautions to protect public health and prevent transmission of this communicable virus; and

WHEREAS, as a result of the public health emergency and the precautions recommended by health authorities, businesses in Merced will experience sudden and unexpected income loss.

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

SECTION 1. The City Council hereby authorizes the City Manager to provide the following economic assistance related to the economic impacts of the COVID-19 emergency:

- A. Work with qualified local hotels to allow for deferment of payment of transient occupancy tax ("TOT"), as follows:
  - (1) The first calendar quarter of TOT (January, February and March) will be reported no later than April 30, 2020 and shall be paid no later than July 31, 2020; and
  - (2) The penalty and interest provisions of the Merced Municipal Code, Section 3.08.070, are suspended for the first quarter of TOT, if the first quarter of TOT is paid on or before July 31, 2020.
- B. To qualify for participation in the TOT economic assistance deferral program the property and the owner/operator/hotelier:
  - (1) Must be current on all of its fiscal obligations to the City; and
  - (2) Must be in compliance with all local, state, and federal statutes, rules, regulations including, but not limited to, the California fire code and the California building code during the term of the program; and
  - (3) Must not be the subject of any regulatory or enforcement action of the City.

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PASSED AND ADOPTED by the City Council of the City of Merced at a regular meeting held on the \_\_\_\_ day of \_\_\_\_\_ 2020, by the following vote:

AYES: Council Members:

NOES: Council Members:

ABSENT: Council Members:

ABSTAIN: Council Members:

APPROVED:


\_\_\_\_\_  
Mayor

ATTEST:  
STEVE CARRIGAN, CITY CLERK

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

(SEAL)

APPROVED AS TO FORM:

 5-11-2020  
\_\_\_\_\_  
City Attorney Date



**City of Merced**

678 W 18<sup>th</sup> St  
Merced, CA 95340

Date: April 2nd, 2020

**Attention: Frank Quintero – Director of Economic Development**

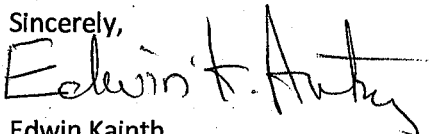
**SUBJECT: Payment Extension Requests for City Taxes and Fees Transient Occupancy Tax (TOT)**

The impact of the COVID-19 pandemic continues and grows exponentially throughout the entire State of California and globally. This is especially true for the hospitality industry. The hotel and lodging industry have been devastated with layoffs, furloughs, and closures, while graciously volunteering to help the industry through multiple volunteer opportunities.

**Due to all these factors, Merced hotel owners are asking their elected officials and Merced city/county government officials for at least a 90-day deferral of transient occupancy payments including any late fee or penalty. We hope this can bring us relief until July 31<sup>st</sup>, 2020.**

To-date, Los Angeles, Anaheim, West Hollywood, Vacaville, and Yuba City have taken various actions to provide relief from transient occupancy tax payments with many other cities/counties considered this action. We hope City of Merced can help hotel owners with such relief for three months so we can survive with staffing and miscellaneous expenses to serve the industry as required.

Sincerely,



Edwin Kainth

Representative for Merced Hotel Motel Association

Ph: 209-756-5218

Email: [edwinkainth@hotmail.com](mailto:edwinkainth@hotmail.com)

**Merced Hotel Motel Association**

750 Motel Dr.

Merced, CA 95341



## ADMINISTRATIVE REPORT

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### Agenda Item J.1.

Meeting Date: 5/18/2020

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*Report Prepared by: Kimberly Nutt, Housing Program Specialist, Development Services  
Department/Housing Division*

**SUBJECT:** Public Hearing to Consider Adoption of Resolution Approving Substantial Amendments to the 2015-2020 Consolidated Plan and Program Year 2019-2020 Annual Action Plan to Identify and Allocate Additional Funds Made Available Through the Coronavirus Aid, Relief, and Economic Security Act, and to Reallocate 2019-2020 Community Development Block Grant (CDBG) Funds; and, Approval of an Amendment to the Citizen Participation Plan to Add Federally-Declared Disaster Exceptions

### REPORT IN BRIEF

Considers expedited substantial amendments to the current Consolidated and Annual Action Plans for identification and allocation of HUD CDBG-CV funds to prevent, prepare for, and respond to the COVID-19 Coronavirus; and, considers other substantial amendments to the 2019-2020 Annual Action Plan necessary to realign current and planned activities that will occur this program year; and, considers an amendment to the adopted Citizen Participation Plan to add HUD exception guidelines for Federally-declared emergencies.

### RECOMMENDATION

**City Council** - Adopt a motion:

A. Adopting **Resolution 2020-25**, a Resolution of the City Council of the City of Merced, California, approving an amendment to the City of Merced Fiscal Year 2015-2020 Consolidated Plan and Amendment #2 to the Program Year 2019-2020 Annual Action Plan to allocate the additional funds made available through the Coronavirus, Aid, Relief, and Economic Security Act reallocating Fiscal Year 2019-2020 CDBG funding towards COVID-19 Coronavirus response; approving amendments to the Citizen Participation Plan; authorizing the City Manager or Assistant City Manager to execute any related documents and/or sub-recipient agreements resulting from this allocation; certifying compliance with the requirements of the Community Development Block Grant (CDBG) Program, and authorizing staff to submit all approved documents to the U.S. Department of Housing and Urban Development and,

B. Approving a Substantial Amendment to the Fiscal Year 2015-2020 Consolidated Plan to amend the Plan to accommodate new Community Development Block Grant Coronavirus (CDBG-CV) funding resources allocated to the City by HUD in the amount of \$661,246; and,

C. Approving the Amendment #2 to the Program Year 2019-2020 Annual Action Plan for the insertion of new goals and priorities that prevent, prepare for, and respond to the Coronavirus, and amending

the 2019-2020 Program Funding to add the anticipated funding resource to the current program year; and,

D. Approving the Amendments to the Citizen Participation Plan that establishes amended public notice, public review and comment, and citizen participation procedures during times of federally-declared disasters or other unforeseen events when HUD provides opportunity for waiver of Citizen Participation Plan Requirements; and,

E. Appropriating \$500,000 of new CDBG-CV resources to fund Economic Development activities, including any necessary administration, oversight, and management of related projects; and,

F. Appropriating \$100,000 of new CDBG-CV resources to fund Public Services Subsistence Payments activities that assist with arrears payments of past due rents, mortgages, and electricity/gas utility bills; and,

G. Appropriating the remaining \$61,246 of new CDBG-CV resources to fund Public Services Food Bank activities that assist with operating costs of food banks or other food delivery organizations; and,

H. Appropriating \$38,754 of 2019-2020 CDBG Unanticipated Program Income to fund Public Service Food Bank activities that assist with operating costs of food banks or other food delivery organizations; and,

I. Reallocating \$81,565 of 2019-2020 CDBG funds from Development Projects/HUD 108 Loan Payment to Public Service activities (project to be determined); and,

J. Reallocating \$4,920 of 2019-2020 CDBG funds from Public Services/First Time Home Buyer Classes to Public Services activities (project to be determined); and,

K. Reallocating \$30,000 for funding of Project Sentinel-Fair Housing activities from 2019-2020 CDBG Public Services funds to HOME Administrative Funds; and,

L. Authorizing the City Manager or the Assistant City Manager to execute all associated documents and agreements; and,

M. Authorizing the Finance Officer to make any necessary budget adjustments.

## **ALTERNATIVES**

1. Approve, as recommended by staff; or,
2. Approve, subject to conditions as specified by the City Council; or,
3. Deny the request; or,
4. Refer back to staff for reconsideration of specific items as requested by the Council; or,
5. Defer action 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 2019-20 Adopted Budget and 2015-2020 Consolidated Plan/Strategic Plan Goals Summary

## **DISCUSSION**

### Introduction

As an entitlement community under the U.S. Department of Housing and Urban Development (HUD), the City is required to adopt a five-year Consolidated Plan for the use of HUD Office of Community Planning and Development (CPD) Funds, such as Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME). In addition, each fiscal year, the City must submit an Annual Plan to outline the coming year's use of these two funding resources that will go towards addressing the Consolidated Plan's priority community needs. Each plan must also establish goals and objectives for its respective timeframes.

The City of Merced's Consolidated Plan was approved with a wide range of goals and objectives, to allow the City some flexibility from year-to-year as Council priorities change over time. Among others, the current plan includes goals for homelessness prevention, public services activities for low-moderate income housing benefit, and economic development categories such as small business assistance and job training using CDBG funds.

The current 2019-2020 Annual Plan adopted by Council in May of 2019, lists public services, job creation, and homeless services, but did not plan to fund economic development activities this program year.

### The CARES Act - Community Development Block Grant Coronavirus (CDBG-CV) funds

On April 2, 2020, the City of Merced received notice from HUD of a special allocation of Community Development Block Grant Coronavirus (CDBG-CV) grant funds, made available by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), that was signed into Public Law on March 27, 2020. These funds are to be used specifically to prevent, prepare for, and respond to the immediate need and growing effects of the COVID-19 Coronavirus.

CDBG-CV grant funds will still be subject to the same oversight, monitoring, reporting, and other requirements as regular CDBG funds and programs are, but are not subject to the normal 15% public services cap. In addition, many of the same project activities as CDBG are listed as eligible activities for CDBG-CV funding, but must be coronavirus-related (Attachment 3). Regular CDBG funds can also be redirected to this effort, and if used towards Coronavirus relief, also receive the 15% cap removal, as long as the same activity is not funded by other HUD funds through another program or agency.

### Consolidated Plan - Public Participation Plan Waivers Issued by HUD

According, the City must amend its Consolidated and Annual Plans to include the new CDBG-CV funding source and the amounts, goals, objectives, and activities planned for them.

Given these regulatory requirements, it is necessary to process an expedited amendment to the Consolidated and Annual Plans to facilitate their use and implementation as soon as possible. To speed up this process under these urgent circumstances, HUD has issued two waivers of certain regulatory requirements for the public participation process concerning Consolidated and Annual Plan amendments through June 2021: 1) allowing the regulatory 30-day comment period to be reduced to no less than five days, as long as the public is given reasonable notice and opportunity to comment; and 2) allowing the entitlement jurisdictions themselves to determine what is reasonable notice and opportunity to comment during this federally-declared national emergency.

On April 24, 2020, the Development Services Director notified HUD that the City of Merced would be implementing the above waivers. The Housing Division received receipt from HUD the same day granting permission to move forward with implementation (Attachments 4 and 5).

The City of Merced Housing Division published these reduced processes in its Public Notice that was published on Thursday, April 30, 2020, which opened a five-day comment period that began on Monday, May 4, and ended on Friday, May 8, 2020.

As of Monday, May 11, 2020, no public comment was received for any item discussed in this report.

#### Amendment to Citizen Participation Plan

Additionally, HUD requires that jurisdictions amend their Citizen Participation Plans (CPP) to include procedures to be used during states of emergency and other disasters such as the current crisis when HUD makes these waivers available.

Please see the draft Amended Citizen Participation Plan (Attachment 7) that inserts new language for flexibilities in Citizen Participation and Comment procedures during times of federally-declared disasters or other unforeseen circumstances. Insertions of the new language can be found on Pages 7, 11, 12, and 13 of the Attached Draft CPP. Amended procedures match those submitted to HUD to implement the waivers discussed in the above section and in the Public Notice (Attachment 6).

With this amendment, the City will have emergency citizen participation procedure guidelines in place for continuing and future occurrences. No other previously-adopted sections have been altered except to correct formatting.

#### Plan Amendments for COVID-19 Prevention, Preparation, and Response

The Plan amendments discussed below are necessary to accept and implement the CDBG-CV funds and focus them to activities that meet the immediate community need:

- Substantial Amendment to 2015-2020 Consolidated Plan (5-Year Strategic Plan)  
Amend to add the CDBG-CV funding resource (\$661,246) - Small business assistance, job training, and revitalization for geographic areas with greater than 51% of low- to moderate-

income residents are already listed as the needs addressed under the existing goal of Economic Development. Similarly, goals are also already included for support service activities such as rental and utility (subsistence) payment and food bank assistance (Attachment 1).

- Amendment #2 to the 2019-2020 Annual Plan

*Amend to add the CDBG-CV funding resource (\$661,246)* - CDBG-CV funding resources will be focused towards economic development (\$500,000) and public service (\$161,246) goals, supporting small business assistance and special needs/support services for low- to moderate-income residents, respectively

*Amend to add new Goals and Objectives* - the 2019 Annual Action Plan's Goals and Objectives do not currently include expenditure of any HUD resources on economic development goals; therefore, goals, objectives, and outcome indicators must be inserted to meet HUD requirements. Additionally, public services' goals, objectives, and outcome income indicators must be amended to also use CDBG-CV as a resource for these activities (Attachment 2).

### Community Need and Appropriation CDBG-CV and CDBG funds

Through public comments gathered from the City Council meeting of April 20, 2020, when a COVID-19 Recovery Plan concept was introduced, as well as through emails and calls to City staff from local organizations and advocacy groups over the past weeks, three immediate needs have emerged within our community: 1) a need for small businesses to keep solvent and keep their staff employed; 2) a need to keep residents in their current housing units, with electricity and gas utilities, to avoid homelessness due to loss of income and inability to pay rent or mortgages; and, 3) a need to provide food to the increasing number of families and individuals who have lost income due to stay-at-home and business closure orders of the State and County Health officials.

To respond to those needs, after considering additional public comment and discussion, Council approved a COVID-19 Recovery Plan on May 4, 2020, that directs staff to focus CDBG-CV and CDBG funding activities on: 1) a small business loan program aimed at retaining and rehiring former employees; 2) rental and utility assistance program; and, 3) operating cost assistance to food banks that would go toward helping to feed families in need. Council directed staff to seek out vendors and community partners who could assist the City with setting up these programs.

To that end, the following appropriations and re-allocations are necessary:

- Appropriate \$500,000 of CDBG-CV funds to Economic Development programs and activities to support new or existing small businesses with loans or grants designed to help create, keep, or rehire local jobs for low- to moderate-income business owners and employees.
- Appropriate \$100,000 of CDBG-CV funds to Public Services Projects, to fund Subsistence Payment programs and activities that provide rental and utility (electricity/gas) payment assistance in order to keep residents housed, with electricity and means of cooking and heating, in order to prevent homelessness due to evictions or foreclosures due to loss of

income.

- Appropriate \$61,246 of CDBG-CV funds and \$38,754 of 2019 CDBG Unanticipated Program Income to Public Services Projects, to fund Food Bank assistance programs (\$100,000 total) to help with the increase in daily operating costs of food banks due to the increased demand for food support four times the normal need.
- Reallocating \$81,565 of 2019-2020 CDBG funds from Development Projects/HUD 108 Loan Payment (the Grove Apartments) to Public Services activities (project to be determined).

Explanation: the 2019 Annual Action Plan budget included this amount to cover the loan payment in case a HUD 108 Loan payment from the Grove Apartments was not received; however, in August 2019, the City received a payment from the complex for the payment of the loan, plus an additional amount of \$416,111 that will carry over to the next fiscal year as a credit towards that existing loan. Therefore, the \$81,565 originally budgeted in CDBG must be re-appropriated to another use.

Suggested re-use: CDBG funds may also be used towards response to the effects of COVID-19; thus, these funds may be better spent on activities of immediate need, such as additional rental or food bank assistance. They also can be carried-over to be used during the 2020-21 program year.

- Reallocate \$4,920 of 2019-2020 CDBG funds from Public Services/First Time Homebuyer Classes to Public Services activities (project to be determined).

Explanation: staff was not able to implement this activity during the current year due to social distancing requirements. As a result, 2019-2020 CDBG funds are available to be re-purpose. With the understanding that this activity remains a priority to the community, staff recommends that funding be set aside for this activity in the 2020-2021 CDBG allocation.

Suggested re-use: CDBG funds may also be used towards response to the effects of COVID-19; thus, these funds may be better spent on activities of immediate need, such as additional rental or food bank assistance. They also can be carried-over to be used during the 2020-21 program year.

- Reallocate \$30,000 from 2019-2020 CDBG Public Services/Project Sentinel - Fair Housing Services to HOME Administrative Activities. This is necessary to move funding of this project to HOME Administrative funds to balance Housing's budget at year-end.

It is important to note that programs created for use of the new CDBG-CV and re-use of CDBG funds would be contracted to start immediately and end at the end of the 2020 program year (ending June 30, 2021). HUD waivers of Citizen Participation Plan requirements that have already been implemented are also valid through June 30, 2021. Environmental reviews for all new projects must be completed before funding is committed.

Additional waivers for a later submission of the next Consolidated Plan period spanning program

years 2020-2024, as well as later submission of the Consolidated Annual Performance and Evaluation Report (CAPER) are also available from HUD, which the Housing Division will furthermore be implementing.

### **IMPACT ON CITY RESOURCES**

Due to this new allocation of HUD CDBG-CV funding, the City's total HUD CDBG entitlement grant funds will increase by the allocation amount of \$661,246, and there is no anticipated impact to the City's General Fund.

Funding for the new \$661,246 CDBG-CV allocation will be from Fund 018. Additionally, appropriation of additional CDBG Program Income received, disencumbered HUD 108 Loan Payment, and unencumbered projects will increase CDBG Fund 018 expenditures by \$125,239.

And finally, changes to the funding source of Fair Housing activities will move from CDBG Fund to HOME Fund.

### **ATTACHMENTS**

1. 2015-2020 Consolidated Plan Anticipated Resources and Goals Summary
2. Program Year 2019 Annual Plan Goals and Objectives
3. Quick Guide to CDBG Eligible Activities to Support Coronavirus...Response
4. Letter - Notification of Implementation of Available Consolidated Plan Waivers
5. HUD Email - Permission to Proceed with Consolidated Plan Waivers
6. Public Notice - Consolidated/Annual Plan Amendments and HUD CPP Waivers
7. Draft Amended Citizen Participation Plan
8. Draft Resolution



## SP-35 Anticipated Resources - 91.215(a)(4), 91.220(c)(1,2)

### Introduction

The City will attempt to leverage HOME Funds, Grants and other funding when appropriate to meet the objective of the Annual Action Plan. The City does add local funds (including unexpended CDBG funds from prior years if available) to further support the organizations and individuals receiving CDBG funding.

### Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Admin and Planning, Affordable Housing, Economic Development, Public Improvements, and Public Services Section 108	\$923,257	\$227,750		\$1,151,007	\$3,693,028	Merced anticipates an annual funding allocation of \$923,257 in CDBG for FY 15-16. d
HOME	public - federal	Admin and Planning, Affordable Housing	\$305,810	\$157,336		\$463,146	\$1,223,240	Merced anticipates an annual funding allocation of \$305,810 in HOME for FY 15-16.

Table 47 - Anticipated Resources

### Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

The City will attempt to use HOME Consortium Funds, Grants and other funding when appropriate to meet the objective of the Annual Action Plan. The City does add local funds (including unexpended CDBG funds from prior years if available) to further support the organizations and individuals receiving CDBG funding.

**If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan N/A**

## SP-45 Goals Summary – 91.215(a)(4)

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	To preserve, rehabilitate and enhance existing neighborhoods, and housing as applicable	2015	2019	Decent Housing - Housing Rehabilitation	>51% AMI	Neighborhood Preservation Suitable Living Environments Public Improvements	HOME: \$TBD	Homeowner housing Rehabilitated
2	Provide support services for the City's residents with an emphasis on at risk youth, the homeless and services to seniors	2015	2019	Public Service	City Wide	Supporting Special Needs Programs Supporting Special Needs Services	CDBG: TBD	<ul style="list-style-type: none"> <li>Homelessness prevention</li> <li>Public service activities for low/moderate-income housing benefit</li> </ul>
3	Ensure that all housing programs are available without discrimination on the basis of race, color, religion, sex, national origin, ancestry, marital status, age, household composition, income, size, disability or any other arbitrary factor.	2015	2019	Fair Housing	City Wide	Fair Housing	CDBG: TBD	Public service activities for low/moderate-income housing benefit
4	To address to City's significantly high unemployment rate with an emphasis on youth persons between the ages of 16 and 24.	2015	2019	Non-housing Community Development - Economic Development	City Wide	Job Training	CDBG:	Public service activities for low/moderate-income housing benefit
5	To preserve, rehabilitate and enhance existing public facilities	2015	2019	Public Facility Improvements	>51% AMI	Neighborhood Preservation Suitable Living Environments Public Improvements	CDBG	Provide grants for Public Facilities for ADA improvements to existing public Facilities.
6	Economic Development (planning)	2015	2019	Non-housing Community Development - Economic Development	>51% AMI	Small business Assistance Job Training Revitalization	CDBG	Public service activities for low/moderate-income housing benefit
7	Facilitate the Construction of Permanent Supportive Housing	2015	2019	Public Service	City Wide	Supporting Special Needs Programs	HOME/CDBG	<ul style="list-style-type: none"> <li>Homelessness prevention</li> </ul>
6	CDBG Grant Administration	2015	2019	Planning and Administration	City wide	CDBG Program Administration	CDBG:	N/A

## Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	1,099,563	84,000	590,830	1,774,393	0	The City received an decrease in grant funding for the 2019/20 fiscal year.
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	499,892	60,000	448,662	1,008,554	0	The City received an decrease in grant funding for the 2019/20 fiscal year.

Table 5 - Expected Resources – Priority Table

## Annual Goals and Objectives

### AP-20 Annual Goals and Objectives

#### Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	rehabilitate and enhance existing neighborhoods	2015	2019	Affordable Housing Non-Housing Community Development housing rehab	City Wide	Job Creation	CDBG: \$360,000 HOME: \$101,640	Homeowner Housing Rehabilitated: 5 Household Housing Unit
2	Support Services	2015	2019	Non-Homeless Special Needs	City Wide Eligible CDBG Areas	Job Creation Public Services Homeless Services	CDBG: \$371,328 HOME: \$54,914	Public service activities other than Low/Moderate Income Housing Benefit: 465 Persons Assisted Public service activities for Low/Moderate Income Housing Benefit: 48 Households Assisted Homeless Person Overnight Shelter: 100 Persons Assisted Homelessness Prevention: 500 Persons Assisted Jobs created/retained: 10 Jobs Other: 8 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
3	Fair Housing	2015	2019	Non-Homeless Special Needs	City Wide	Fair Housing	CDBG: \$30,000	Public service activities other than Low/Moderate Income Housing Benefit: 85 Persons Assisted
4	Public and Infrastructure Improvements	2015	2019	Non-Housing Community Development	Eligible CDBG Areas	Public Infrastructure and Capital Improvements	CDBG: \$275,000	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 750 Households Assisted
5	Permanent Supportive Housing	2015	2020	Homeless	City Wide Eligible CDBG Areas	Public Infrastructure and Capital Improvements Homeless Services	CDBG: \$738,065 HOME: \$852,000	Rental units constructed: 323 Household Housing Unit Housing for Homeless added: 8 Household Housing Unit

**Table 6 – Goals Summary**

## Goal Descriptions

1	<b>Goal Name</b>	rehabilitate and enhance existing neighborhoods
	<b>Goal Description</b>	<p>The funds used supporting this goal will be used for the following:</p> <ul style="list-style-type: none"> <li>• Homeowner Rehabilitation</li> <li>• Acquire and Rehabilitate Blighted Property</li> <li>• Develop Affordable Housing on vacant property</li> <li>• Provide deposits and rental assistance to eligible households</li> </ul>

## Quick Guide to CDBG Eligible Activities to Support Coronavirus and Other Infectious Disease Response

### REVISED April 6, 2020

Grantees should coordinate with local health authorities before undertaking any activity to support state or local pandemic response. Grantees may use Community Development Block Grant (CDBG) funds for a range of eligible activities that prevent and respond to the spread of infectious diseases such as the coronavirus.

### Examples of Eligible Activities to Support Coronavirus and Other Infectious Disease Response

<i>For more information, refer to applicable sections of the Housing and Community Development Act of 1974 (for State CDBG Grantees) and CDBG regulations (for Entitlement CDBG grantees).</i>	
<b>Buildings and Improvements, Including Public Facilities</b>	
Acquisition, construction, reconstruction, or installation of public works, facilities, and site or other improvements. <i>See section 105(a)(2) (42 U.S.C. 5305(a)(2)); 24 CFR 570.201(c).</i>	Construct a facility for testing, diagnosis, or treatment.
	Rehabilitate a community facility to establish an infectious disease treatment clinic.
	Acquire and rehabilitate, or construct, a group living facility that may be used to centralize patients undergoing treatment.
Rehabilitation of buildings and improvements (including interim assistance). <i>See section 105(a)(4) (42 U.S.C. 5305(a)(4)); 24 CFR 570.201(f); 570.202(b).</i>	Rehabilitate a commercial building or closed school building to establish an infectious disease treatment clinic, e.g., by replacing the HVAC system.
	Acquire, and quickly rehabilitate (if necessary) a motel or hotel building to expand capacity of hospitals to accommodate isolation of patients during recovery.
	Make interim improvements to private properties to enable an individual patient to remain quarantined on a temporary basis.
<b>Assistance to Businesses, including Special Economic Development Assistance</b>	
Provision of assistance to private, for-profit entities, when appropriate to carry out an economic development project. <i>See section 105(a)(17) (42 U.S.C. 5305(a)(17)); 24 CFR 570.203(b).</i>	Provide grants or loans to support new businesses or business expansion to create jobs and manufacture medical supplies necessary to respond to infectious disease.
	Avoid job loss caused by business closures related to social distancing by providing short-term working capital assistance to small businesses to enable retention of jobs held by low- and moderate-income persons.
Provision of assistance to microenterprises. <i>See section 105(a)(22) (42 U.S.C. 5305(a)(22)); 24 CFR 570.201(o).</i>	Provide technical assistance, grants, loans, and other financial assistance to establish, stabilize, and expand microenterprises that provide medical, food delivery, cleaning, and other services to support home health and quarantine.

Provision of New or Quantifiably Increased Public Services	
<p>Following enactment of the CARES Act<sup>1</sup>, the public services cap<sup>2</sup> has no effect on CDBG-CV grants and no effect on FY 2019 and 2020 CDBG grant funds used for coronavirus efforts.</p> <p><i>See section 105(a)(8) (42 U.S.C. 5305(a)(8)); 24 CFR 570.201(e).</i></p>	Carry out job training to expand the pool of health care workers and technicians that are available to treat disease within a community.
	Provide testing, diagnosis or other services at a fixed or mobile location.
	Increase the capacity and availability of targeted health services for infectious disease response within existing health facilities.
	Provide equipment, supplies, and materials necessary to carry-out a public service.
	Deliver meals on wheels to quarantined individuals or individuals that need to maintain social distancing due to medical vulnerabilities.
Planning, Capacity Building, and Technical Assistance	
<p>States only: planning grants and planning only grants.</p> <p><i>See section 105(a)(12).</i></p>	Grant funds to units of general local government may be used for planning activities in conjunction with an activity, they may also be used for planning only as an activity. These activities must meet or demonstrate that they would meet a national objective. These activities are subject to the State's 20 percent administration, planning and technical assistance cap.
<p>States only: use a part of to support TA and capacity building.</p> <p><i>See section 106(d)(5) (42 U.S.C. 5306(d)(5)).</i></p>	Grant funds to units of general local government to hire technical assistance providers to deliver CDBG training to new subrecipients and local government departments that are administering CDBG funds for the first time to assist with infectious disease response. This activity is subject to the State's 3 percent administration, planning and technical assistance cap.
<p>Entitlement only: data gathering, studies, analysis, and preparation of plans and the identification of actions that will implement such plans. <i>See 24 CFR 570.205.</i></p>	Gather data and develop non-project specific emergency infectious disease response plans.

## Planning Considerations

Infectious disease response conditions rapidly evolve and may require changes to the planned use of funds:

- CDBG grantees must amend their Consolidated Annual Action Plan (Con Plan) when there is a change to the allocation priorities or method of distribution of funds; an addition of an activity not described in the plan; or a change to the purpose, scope, location, or beneficiaries of an activity (24 CFR 91.505).
- If the changes meet the criteria for a "substantial amendment" in the grantee's citizen participation plan, the grantee must follow its citizen participation process for amendments (24 CFR 91.105 and 91.115).
- Under the CARES Act, CDBG grantees may amend citizen participation and Con Plans concurrently in order to establish and implement expedited procedures with a comment period of no less than 5-days.

## Resources

The Department has technical assistance providers that may be available to assist grantees in their implementation of CDBG funds for activities to prevent or respond to the spread of infectious disease. Please contact your local CPD Field Office Director to request technical assistance from HUD staff or a TA provider.

- Submit your questions to: [CPDQuestionsAnswered@hud.gov](mailto:CPDQuestionsAnswered@hud.gov)
- Coronavirus (COVID-19) Information and Resources: <https://www.hud.gov/coronavirus>
- CPD Program Guidance and Training: <https://www.hudexchange.info/program-support/>

<sup>1</sup> On March 27, 2020, President Trump approved the Coronavirus Aid, Relief, and Economic Security Act (Public Law 116-136) (CARES Act). The CARES Act makes available \$5 billion in CDBG coronavirus response (CDBG-CV) funds to prevent, prepare for, and respond to coronavirus.

<sup>2</sup> Section 105(a)(8) of the HCD Act caps public service activities at 15 percent of most CDBG grants. Some grantees have a different percentage cap.



*Housing Division -- Development Services Department*

April 24, 2020

Attn:

Christopher Patterson, Regional Administrator  
Alice Walkup, Senior Community Planning and Development Representative  
U.S. Department of Housing and Urban Development  
San Francisco Regional Office  
One Sansome Street, Suite 1200  
San Francisco, California 94104-4430

[Sent via email: [CPD\\_COVID-19WaiverSFO@HUD.gov](mailto:CPD_COVID-19WaiverSFO@HUD.gov); and, [Alice.Walkup@HUD.gov](mailto:Alice.Walkup@HUD.gov)]

Re: Notification of Implementation of Available Consolidated Plan Requirement Waivers to Prevent the Spread of COVID-19 by the City of Merced Housing Division

Dear Mr. Patterson, Ms. Walkup, and/or To Whom It May Concern,

This letter serves as a notice to the San Francisco HUD Field Office and our CPD Representative of the City of Merced Housing Division's intention to implement two of the available waivers for Consolidated Plan requirements that were released by email on April 1, 2020, in the Memorandum entitled "Availability of Waivers of Community Planning and Development (CPD) Grant Program and Consolidated Plan Requirements to Prevent the Spread of COVID-19 and Mitigate Economic Impacts Caused by COVID-19."

The City of Merced intends to implement the following waivers for the first time on April 30, 2020:

- ***#8. Citizen Participation Public Comment Period for Consolidated Plan Amendment***

Specific Condition justifying use of waiver of Citation 24 CFR 91.105(c)(2) and (k):

This waiver grants a reduction of the required 30-day comment period to no less than five days, in order to balance the City's ability to respond to its citizen's needs and lessen the negative effects of the COVID-19 Coronavirus, with the regulatory requirement to provide its citizens with governmental transparency and the opportunity to comment on the proposed use of its HUD-issued funds.

The City of Merced has an additional urgency, in that, combined with a high poverty rate amongst its residents and a housing vacancy rate of less than 1% within the City limits, it is imperative that



the City have an expedited process for public comment, City Council approval of substantial amendments, and implementation of the CDBG-CV funding that will enable quick enactment of programs that will keep families in their existing units and keep their sources of income.

- **#9. *Citizen Participation Reasonable Notice and Opportunity to Comment***

Specific Condition justifying use of waiver of Citation 24 CFR 91.05(c)(2) and (k):

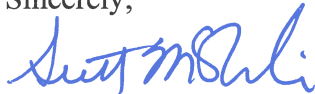
Recognizing a need to respond quickly, this waiver grants the City the ability to determine what constitutes reasonable notice and opportunity to comment regarding its intended uses of the CDBG-CV special allocation during its efforts to limit public gatherings and contain the spread of COVID-19.

The City takes pride in its history of transparency and public participation processes. Our established Citizen Participation Plan requires that documents be made available for review at the City's offices, and that comments may be made in person within 30 days from the date of public notice in the Merced County Times and Merced Sun-Star newspaper publications.

City offices are currently closed for the protection of employees and the public. Therefore, substantial change information will be made available online on the City's website and posted in a prominent locked see-through case outside the Merced Civic Center, but will not be available in person. Members of the public may still submit comments during a reduced, five-day comment period beginning and ending before the day of a teleconferenced public meeting. Comments received during the comment period will be read and/or played back during a meeting conducted by teleconference, with no in-person public access to the meeting location. Members of the public who have submitted comments may be called during the teleconference to provide additional comments during the meeting in real time. Additionally, the teleconference meetings will be broadcast on cable t.v., through website livestream, and via a live social media feed. Public notices will be published in the publications noted above approximately 15 days before the scheduled meeting date and will note the comment period and the altered comment procedures that will be followed.

If clarification is needed regarding these justifications or the City of Merced's intentions, I can be reached by email at [McbrideS@cityofmerced.org](mailto:McbrideS@cityofmerced.org). We appreciate HUD's granting the use of these waivers so that we can efficiently protect and assist the Citizens of the City of Merced and its employees.

Sincerely,



Scott McBride

Director of Development Services

**From:** [CPD\\_COVID-19WaiverSFO](#)  
**To:** [McBride, Scott](#); [Walkup, Alice](#)  
**Cc:** [Dietz, Stephanie](#); [Nutt, Kim](#); [Mendonca, Dawn](#)  
**Subject:** RE: City of Merced Waivers  
**Date:** Friday, April 24, 2020 11:30:17 AM

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Hello Scott,

Receipt is acknowledged, please maintain documentation in your files for the basis of waiver. If there is a subsequent audit, you will be asked, but you are free to move forward.

Thank you,  
Saleshni

---

**From:** McBride, Scott <McBrideS@cityofmerced.org>  
**Sent:** Friday, April 24, 2020 10:20 AM  
**To:** CPD\_COVID-19WaiverSFO <CPD\_COVID-19WaiverSFO@hud.gov>; Walkup, Alice <Alice.Walkup@hud.gov>  
**Cc:** Dietz, Stephanie <DietzS@cityofmerced.org>; Nutt, Kim <NuttK@cityofmerced.org>; Mendonca, Dawn <mendoncad@cityofmerced.org>  
**Subject:** City of Merced Waivers

Good morning,

Attached is the Notification of Implementation of Available Consolidated Plan Requirement Waivers to Prevent the Spread of COVID-19.

Respectfully,



**Scott McBride**  
**Development Services Director**  
City of Merced | 678 W. 18<sup>th</sup> Street | Merced, CA 95340  
(209) 385-6818 | (209) 564-0613 cell  
[mcbrides@cityofmerced.org](mailto:mcbrides@cityofmerced.org) | [www.cityofmerced.org](http://www.cityofmerced.org)

**NOTICE:** The City of Merced is doing its part to contain the spread of the coronavirus. Our offices are closed until further notice. In order to protect the health and safety of the public and our employees, core staff are working on-site, and others are working remotely. It may take additional time for someone to reply, so please bear with us.

---

City of Merced records, including emails, are subject to the California Public Records Act. Unless exemptions apply, this email, any attachments and any replies are subject to disclosure on request,

and neither the sender nor any recipients should have any expectation of privacy regarding the contents of such communications. The City of Merced shall not be responsible for any claims, losses or damages resulting from the use of digital data that may be contained in this email.

[**NOTICE:** This message originated outside of City of Merced -- **DO NOT CLICK** on **links** or open **attachments** unless you are sure the content is safe.]

## **PUBLIC NOTICE**

### **NOTICE OF PUBLIC HEARING FOR SUBSTANTIAL AMENDMENTS TO THE 2015-2019 FIVE-YEAR CONSOLIDATED AND 2019 ANNUAL ACTION PLANS AND NOTICE OF HUD WAIVERS TO THE ADOPTED CITY OF MERCED CITIZEN PARTICIPATION PLAN COMMENT PERIOD AND PUBLIC COMMENT PROCESS TO PREVENT THE SPREAD OF COVID-19**

This Notice serves to notify Merced City Residents of their opportunity to comment on the below proposed actions and processes and to inform residents of the changes to the public comment process permitted by HUD during the 2019 and 2020 Program Years due to COVID-19.

#### **NOTICE OF PUBLIC HEARING FOR PROPOSED SUBSTANTIAL AMENDMENTS TO THE 2015-2019 FIVE-YEAR CONSOLIDATED AND 2019 ANNUAL ACTION PLANS:**

The U.S. Housing and Urban Development (HUD) has notified the City of Merced, as a HUD Entitlement Grantee, that the City has been allocated \$661,246 of additional Community Development Block Grant funds (CDBG-CV) to be used specifically towards public service and economic development programs and activities that help to protect, prepare for, and respond to the COVID-19 Coronavirus outbreak. The allocation was authorized by the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Public Law 116-136, which was signed by President Trump on March 27, 2020, to respond to the growing effects of this public health crisis.

Accordingly, the City of Merced is recommending revisions to both its 2015-2019 Consolidated Plan and its 2019 Annual Action Plan in order to use the CDBG-CV funds during the current program year that runs from July 1, 2019, to June 30, 2020, to address the urgent needs related to the coronavirus for low-moderate income households in the city community:

- Public Service programs that address the immediate needs of food and retention of housing for city residents; and,
- Economic Development programs to new and existing businesses that support the retention of jobs.

Additionally, the City is also recommending the following substantial and technical amendments to its 2015-2019 Consolidated and 2019 Annual Action Plans – some amendments will also be directed towards immediate coronavirus assistance:

- Reallocate funding of 2019 Fair Housing services from CDBG Public Services to HOME Administration activities;
- Reallocate funding of 2019 First Time Home Buyer Classes to 2019 CDBG Public Service activities;

- Reallocate funding of 2019 CDBG HUD Loan Payment to 2019 CDBG Public Service activities;
- Allocation of unanticipated 2019 Program Income to 2019 CDBG Public Service activities;
- Addition of Intent to Open a HUD 108 Loan Guarantee Application Process activity to the 2015-2019 Consolidated Plan/2019 Annual Action Plan CDBG Program Activities, Goals, and Objectives, for the Childs and B Affordable Housing Project.

*The Public may view and provide comment on the above proposed amendments during the following period: 8:00 a.m. on Monday, May 4, 2020, through 5:00 p.m. on Friday, May 8, 2020, by following the below-noticed procedures. A City Council meeting to review and approve the above items is scheduled to be held at 6:00 p.m., Monday, May 18, 2020. The meeting will be held via teleconference only. As City offices are currently closed, there will be no physical public access to the meeting. Please see the City Clerk's website at [www.cityofmerced.org/departments/city-clerk](http://www.cityofmerced.org/departments/city-clerk) for details and agendas.*

**NOTICE OF HUD WAIVERS TO THE ADOPTED CITY OF MERCED CITIZEN PARTICIPATION PLAN COMMENT PERIOD AND PUBLIC COMMENT PROCESS IN ORDER TO PREVENT THE SPREAD OF COVID-19**

On April 1, 2020, HUD released the memorandum entitled "Availability of Waivers of Community Planning and Development (CPD) Grant Program and Consolidated Plan Requirements to Prevent the Spread of COVID-19 and Mitigate Economic Impacts Caused by COVID-19." The memorandum grants certain waivers to CPD Grantees, such as the City of Merced, with regards to its regulatory Citizen Participation Plan (CPP) requirements specifically required under Citation 24 CFR 91.105(c)(2) and (k). Those certain waivers are: 1) an immediate reduction in the required 30-day comment period to no less than five (5) days, with the requirement to provide reasonable notice and opportunity for citizens to comment on substantial amendments concerning the proposed uses of CDBG and HOME funds; and 2) a waiver regarding "reasonable notice and opportunity to comment" requirements of the CPP, to allow a grantee to determine what constitutes reasonable notice and opportunity to comment. The City of Merced intends to implement both waivers on April 30, 2020, and they will remain valid through the end of the 2020 Program Year (through June 30, 2021), per HUD, for any further COVID-19 related amendments.

Accordingly, as long as City Offices remain physically closed to public access, the City of Merced plans to vary from its Adopted CPP and will instead follow the below reasonable notice and public comment procedures:

- Public notices will be published in the "Public Notices" sections of the Merced County Times and the Merced Sun-Star newspaper publications approximately 15 days before a scheduled meeting to decide on any required actions related to the City's HUD Plans.

- The Public notices will note the specific comment period and the meeting date on which the item(s) will be reviewed and action taken.
- Proposed amendments to Plans will be made available for viewing from our website: [www.cityofmerced.org](http://www.cityofmerced.org), or can be emailed upon request by emailing: [housing@cityofmerced.org](mailto:housing@cityofmerced.org) on any day prior to 2:00 p.m. on the last day of the posted comment period.
- The City will make an effort to post any small (1 to 10 pages) documents in a locked, see-through case that is located outside the Merced Civic Center, 678 W. 18<sup>th</sup> Street, Merced, California, during the entire comment period. Documents may not otherwise be viewable in person.
- Members of the public may submit comments during the five-day comment period specified in the section above via: 1) by email of 500 words or less to [housing@cityofmerced.org](mailto:housing@cityofmerced.org), or, 2) by leaving a voicemail no longer than three minutes in length to [209-385-6863](tel:209-385-6863).
- Comments received may be read or received at the scheduled City Council meeting. Technology permitting, members of the public who have submitted comments may be called during the scheduled teleconferenced City Council meeting to provide additional comments during the meeting in real time.
- The teleconferenced City Council meetings will be broadcast on Comcast Public Access Channel 96, through website livestream, and via a live social media feed on Facebook. Please see the City Clerks webpage ([www.cityofmerced.org/departments/city-clerk](http://www.cityofmerced.org/departments/city-clerk)) for more City Council Meeting information, including livestream links, procedures, and agendas.

Attention: City Clerk

CITY CLERK  
CITY OF MERCED

Publish: April 30, 2020

/s/ Kim Nutt

Kim Nutt, Housing Program Specialist

# City of Merced Housing Division Citizen Participation Plan



For Submission to the U.S. Department of Housing and Urban Development

City of Merced  
Housing Division  
678 W. 18<sup>th</sup> Street  
Merced, CA 95340  
(209) 385-6863

Draft Amendments for City Council Review  
May 18, 2020

**City of Merced  
Citizen Participation Plan**

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## **A. INTRODUCTION**

The U.S. Department of Housing and Urban Development (HUD) requires entitlement communities (jurisdictions with populations above 50,000) to develop a Citizen Participation Plan\*. This Citizen Participation Plan describes how the City of Merced (hereafter “the City”) will involve residents in the planning, implementation and assessment of how Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) funds will be used. It defines the City’s policies and procedures for public participation in the Consolidated Plan (ConPlan) and Action Plan process.

The ConPlan is a five-year strategy required by HUD that outlines how the City intends to meet identified local Housing and Community Development (HCD) needs over a five-year period. Annually an Action Plan is created that describes how federal, state and local resources will be used to address the identified needs and objectives during each respective fiscal year of the five-year ConPlan.

Main components of the ConPlan include a:

1. Housing and Community Development Needs Assessment
2. Housing Market Analysis
3. Analysis of Impediments to Fair Housing Choice
4. Strategy that Reflects General Goals With Performance Outcome Measurements

These assessments assist the City of Merced Housing Division determine annual allocation of HUD funds to address identified needs.

The City’s ConPlan identifies unmet priorities in the community that generally deal with a suitable living environment, affordable housing, economic opportunities and homelessness. Annually the Action Plan is created to address these unmet priorities. HUD funds cannot be used for standard City services or programs that do not meet the National Goals and Objectives or that are not identified in the five-year ConPlan. The Housing Division oversees HUD funding and designs and carries out programs identified in the ConPlan and Annual Action Plan. Once HUD allocations are released, local non-profit or public agencies may submit grant requests for funding of programs identified in the ConPlan. If funding is available, the City can use no more than 15% of its total CDBG annual allocation and previous year’s program income for Public Service Programs.

The planning and approval process for the ConPlan and Action Plan can be broken down into the following stages:

1. Needs Assessment
2. Plan Development
3. Approval Process
4. Amendments
5. Performance Review

The Citizen Participation Process generally includes a series of well-publicized annual public hearings and community/neighborhood meetings to review and give input for the ConPlan, the Annual Action Plan and Consolidated Annual Performance and Evaluation Report (CAPER). All meetings and hearings are

publicized in accordance with applicable HUD, state and local regulations. Public notices for environmental procedures and project-related policies are also part of the citizen participation process. Public notices are printed in English, Hmong, and Spanish in area newspapers. Stakeholders receive individual notice of public meetings via the US Postal Service or email.

In addition to hosting community meetings and public hearings for the ConPlan, the City hosts stakeholder focus group meetings and distributes a community needs assessment survey using the City's Utility Billing System. All plans, notices, and supporting documentation are provided to the public on the Housing Division website. Translations in Spanish and Hmong are available upon request.

## **B. BACKGROUND**

HUD and its Office of Community Planning and Development (CPD) division require entitlement communities to implement strategies that further promote residents to participate in community building through the five-year ConPlan planning process. The CPD's underlying principles include the following:

1. Community building begins with job creation, employment and the creation of safe, decent and affordable housing.
2. The planning and execution of community development initiatives must be bottom up and community-driven.
3. Complex problems require coordinated, comprehensive and sustainable solutions.
4. Government must be streamlined to be more efficient and effective.
5. Citizen participation in federal, state and local government can be increased through communication and better access to information.

This Citizen Participation Plan is in compliance with these federal principles.

## C. OVERVIEW

**GOAL:** To generate significant public participation in the consolidated planning process including any amendments to the ConPlan, Annual Action Plan or the CAPER, input will be sought particularly from low and moderate-income persons and groups residing within various areas of the City where program funds will be used.

**Objective A:** All persons shall have the opportunity to take part in the consolidated planning process and any amendments to the ConPlan, Annual Action Plan or the CAPER.

### **POLICIES:**

#### **ConPlan**

1. A minimum of two community meetings will be held during development of the ConPlan to gather public input. At those meetings members of the public will be asked to identify community needs and priorities. The list of public priorities that align with National Objectives will be taken under consideration during preparation of the ConPlan.
2. During the ConPlan development, residents living in neighborhoods identified as eligible for CDBG assistance will be invited to become part of focus groups. These groups will help develop community development priorities for the ConPlan.
3. Two additional public input meetings will be conducted once the draft ConPlan is completed. The ConPlan will be presented and public comments regarding the document will be recorded.
4. Upon completion of the draft ConPlan, the document will be available for public review and comment for 30 days. Copies of said plan shall be made available to the public at the City of Merced Civic Center, 678 W. 18<sup>th</sup> Street, and/or Merced Senior Center, Merced County Administration Building and the City's website.
5. A Public Hearing will be held before the Merced City Council where the public can provide additional input regarding the ConPlan prior to approval of the plan by the Council.
6. Any amendments to the ConPlan shall be made available for public review and comment for 30 days. Copies of said report shall be made available at the City of Merced Civic Center, 678 W. 18<sup>th</sup> Street, and or the Merced Senior Center, Merced County Administration Building, and City website.

#### **Action Plan**

1. A minimum of two community meetings will be held during development of the Annual Action Plan to gather public input. At those meetings the public will be asked to identify community needs and

priorities. Programs and activities that align with the ConPlan and National Objectives will be taken under consideration during preparation of the Action Plan.

2. Upon completion of the draft Annual Action Plan, the document shall be made available for public review and comment for 30 days. Copies of said plan shall be made available to the public at the City of Merced Civic Center, 678 W. 18<sup>th</sup> Street, and or the Merced Senior Center, , Merced County Administration Building and City website.
3. Any amendments to the Annual Action Plan shall be made available for public review and comment for 15 days. Copies of said report shall be made available at the City of Merced Civic Center, 678 W. 18<sup>th</sup> Street, and or the Merced Senior Center, Merced County Administration Building, and City website.

### **CAPER**

1. Prior to drafting the CAPER, a public meeting will be held to gain input on activities carried out as part of the previous Annual Action Plan. Meetings will be held in the summer to allow adequate time for drafting of the CAPER.
2. Upon completion of the CAPER, the report will be available for public review and comment for 15 days. Copies of said report shall be made available at the City of Merced Civic Center, 678 W. 18<sup>th</sup> Street, and or the Merced Senior Center, Merced County Administration Building, and City website.

### **All Plans**

1. All public hearings and meetings shall be conducted in the evening hours, shall be held at convenient locations that accommodate persons with disabilities, and shall be easily accessible by public transit.
2. The City shall provide interpreters for non-English-speaking persons and/or the hearing impaired when such requests are made at least five working days prior to the hearing.
3. Notices will be written in English, Spanish and Hmong. Upon request translators will be made available to assist with reading of the ConPlan, Annual Action Plan, and CAPER.
4. A public meeting will be held every fall to give an overall report of the previous year's CAPER and update on the current year's Annual Action Plan. The community will be asked for input, direction, and given a question and answer period regarding HUD programming and funding.

<b>Objective B:</b> Adequate information shall be provided to all interested persons and groups upon request.
---

**POLICIES:**

1. Prior to adoption of the ConPlan or Action Plan, the City shall make available to all interested persons and groups the anticipated amount of funding the City expects to receive from the CDBG formula program, including the amount that will benefit persons with very low and low incomes. In addition, the City shall identify the range of activities that must be undertaken with these funds, plans to minimize the displacement of persons, and plans to assist displaced persons.
2. The City shall provide all interested persons and groups with reasonable and timely access to all information relating to the City's proposed ConPlan or Action Plan and the City's use of assistance under the relevant programs activity years.
3. A translator or staff member will be made available upon request to assist interested persons with understanding information provided.

<b>Objective C:</b> The City shall provide adequate advance public notice of all associated meetings and hearings.
--

**POLICIES:**

1. The City shall provide adequate advance notice of all public hearings and meetings to all interested persons and groups. Sufficient information shall be published about the subject of the hearing or meeting to permit public input. Such notice might take the form of content in the *Merced Sun-Star* and the *Merced County Times* newspapers, individual letters, notices or flyers mailed to interested persons and groups, list serves, existing newsletters and bulletins distributed in targeted areas, or radio announcements.

<b>Objective D:</b> The City shall furnish technical assistance to all interested persons and groups requesting such assistance.
--

**Policies:**

1. The City shall provide technical assistance, particularly to groups or individuals representing persons with very low or low incomes. Said assistance shall be used to develop funding proposals for assistance under any of the formula programs covered by the ConPlan. The City shall determine the necessary level and degree of assistance. Such technical assistance might include the following:
  - 1) Assisting with forms/applications
  - 2) Explaining the process for submitting proposals

- 3) Explaining federal and local requirements
- 4) Providing comments and advice on the telephone or in meetings
- 5) Reviewing and commenting on draft proposals

<b>Objective E:</b> All comments and complaints submitted by interested persons or groups shall be adequately considered and addressed.
---

**Policies:**

1. The City shall consider any comments or complaints from interested persons or groups received at public hearings or meetings in preparing the ConPlan, any amendments to the plan, the Annual Action Plan or the CAPER.
2. In preparing the final ConPlan and/or Annual Action Plan, careful consideration will be given to all comments and views expressed by the public, whether given as verbal testimony at the public hearing or submitted in writing during the review and comment period. The final documents will have a section that includes all comments, plus explanations as to why any comments were not accepted.
3. The City shall provide a substantive written response to every comment or complaint received within 15 working days when possible.

<b>Objective F:</b> The City shall use flexibility provided by HUD during any federal-declared disaster or other unforeseen event to allow the City to best address immediate needs of the community.
---

**Policies:**

1. The City shall follow all requirements accompanying any special allocation of funds with respect to amended procedures for public notice, public review and comment, and citizen participation to enable the City to redirect resources to the most immediate community needs.
2. The City will request any waivers necessary to use flexibility provided by HUD during times of federal-declared disasters or unforeseen circumstances.

## **D. PUBLIC PARTICIPATION**

### **1. Citizen Participation Plan and Amendments**

The Citizen Participation Plan is designed to facilitate and encourage residents to participate in the entire ConPlan process. In particular, the Citizen Participation Plan seeks to encourage the involvement of low- and moderate-income persons.

The City will use the following process to adopt and make any subsequent changes to its Citizen Participation Plan:

The City will place public notice in the *Merced Sun-Star* and *Merced County Times* newspapers, on the City's Web site, [www.cityofmerced.org](http://www.cityofmerced.org), and at the City of Merced Civic Center, 678 W. 18<sup>th</sup> Street, and or the Merced Senior Center, or Merced County Administration Building.

- 1) Residents will have 30 days to review the Citizen Participation Plan from the date of the notice.

During the 30-day public review and comment period, the document will be available for review at the City of Merced Civic Center, 678 W. 18<sup>th</sup> Street, and or the Merced Senior Center, Merced County Administration Building and City website.

- 2) During the 30-day period from the date of notice, residents may file comments in writing at the City Housing Division, 678 W. 18<sup>th</sup> Street, Merced Civic Center.

- 3) The City Council will adopt the Citizen Participation Plan.

Any change in the public participation process as outlined in this document will require an amendment to the Citizen Participation Plan.

## **2. Consolidated Plan and the Annual Action Plan**

The steps outlined below provide opportunities for public involvement in the ConPlan and the Annual Action Plan:

To identify the needs of low- and moderate-income persons in different areas of the City, priorities will be established based on Housing and Community Development (HCD) needs. To solicit community input, which is essential to determining these needs and priorities, the following actions will occur:

- The City will consult with local public agencies that assist low- and moderate-income persons and areas, including City staff, state and federal agencies, neighboring local governments and regional agencies.
- The City will consult with private agencies, including local nonprofit service providers and advocates such as the local public housing agency, health agencies, homeless service providers, nonprofit housing developers and social service agencies (including

those focusing on services to children, the elderly, persons with disabilities, persons with HIV/AIDS, persons with substance abuse problems, etc.).

- The City will place public notices in the Merced Sun-Star and Merced County Times newspapers, on the City's Web site ([www.cityofmerced.org](http://www.cityofmerced.org)) and at City of Merced Civic Center, 678 W. 18th Street, and or the Merced Senior Center, or Merced County Administration Building.
- Residents have 30 days to review the draft ConPlan and/or the draft Annual Action Plan from the date of the notice.
- Residents may file comments at the City offices, 678 W. 18th Street, Housing Division, during a 30-day period from the date of the notice.
- A public hearing will be held before the City Council to receive comments, solicit input on needs and priorities, and to approve the ConPlan and the Annual Action Plan.
- The City Council will adopt the ConPlan and/or the Annual Action Plan.
- In preparing the final ConPlan and/or Annual Action Plan, careful consideration will be given to all comments and views expressed by the public, whether given as verbal testimony at the public hearing or submitted in writing during the review and comment period. The final documents will have a section that includes all comments, plus explanations as to why any comments were not accepted.

### **3. Substantial Amendments to the Consolidated Plan and the Annual Action Plan**

Amendments to the ConPlan or the Annual Action Plan will be necessary whenever one of the following is proposed:

- To make a substantial change in the allocation priorities or a substantial change in the method of distribution of funds. (Substantial change is defined as a change that affects more than 75% of the allocation of funding in any project and/or total distribution.);
- To carry out an activity using funds from any program not covered by the ConPlan (including program income) not previously described in the ConPlan; or
- To substantially change the purpose, scope, location or beneficiaries of an activity.



The following procedures apply to amendments:

The City will place public notices in the *Merced Sun-Star* and *Merced County Times* newspapers, on the City's Web site ([www.cityofmerced.org](http://www.cityofmerced.org)) and at City of Merced Civic Center, 678 W. 18th Street, and or the Merced Senior Center, or Merced County Administration Building.

- Residents have 30 days to review the proposed amendment from the date of the notice.
- During the 30-day public review and comment period, the document will be available for review at the City's Housing office and the City website. Copies of the document will be available to the public free of charge.
- Residents may file comments at the City offices, 678 W. 18th Street, Housing Division, during the 30-day period from the date of the notice.
- The City Council will adopt the amendment.
- In preparing a final amendment, careful consideration will be given to all comments and views expressed by the public, whether given as verbal testimony at the public hearing or submitted in writing during the review and comment period. The final amendment will have a section that includes all comments, plus explanations as to why any comments were not accepted.

#### **4. Consolidated Annual Performance Evaluation Report (CAPER)**

Every year, the City must submit to HUD a Consolidated Annual Performance Evaluation Report (CAPER). In general, the CAPER must describe how funds were actually used and the extent to which these funds were used for activities that benefited low- and moderate-income people. The following steps outline the opportunities for public involvement in the CAPER:

The City will place public notices in the *Merced Sun-Star* and *Merced County Times* newspapers, on the City's Web site ([www.cityofmerced.org](http://www.cityofmerced.org)) and at City of Merced Civic Center, 678 W. 18<sup>th</sup> Street, and or the Merced Senior Center, or Merced County Administration Building.

1. Residents have 15 days to review the CAPER and/or Action Plan from the date of the notice.
2. During the 15-day public review and comment period, the document will be available for review at the City's Housing Division office. Copies of the document will be available to the public free of charge.

3. Residents may file comments at the City offices, 678 W. 18<sup>th</sup> Street, Housing Division, during the 15-day period from the date of the notice.
4. The City Council will adopt the CAPER or Action Plan.
5. In preparing the CAPER and Action Plan, careful consideration will be given to all comments and views expressed by the public, whether given as verbal testimony at the public hearing or submitted in writing during the review and comment period. The final report will have a section that includes all comments, plus explanations as to why any comments were not accepted.

## **5. Response to Disasters and Unforeseen Events**

In the event HUD provides opportunity for waiver of the requirements within this plan during a federally-declared disaster or upon any other unforeseen circumstance, the City will follow applicable amended procedures for public notice, public review and comment, and citizen participation to enable the City to redirect resources to the most immediate community needs. The City will comply with all requirements accompanying the allocation of federal funds in these circumstances, including the requirements of statutes, regulations, or HUD administrative guidance with respect to citizen participation and the amendment or adoption of the Consolidated Plan, Annual Action Plan, or CAPER. If needed, the City will request appropriate waivers from HUD to take advantage of any flexibility offered by HUD.

The City may modify its procedures as follows, notwithstanding HUD guidance to the contrary.

- Any 30-day public review and comment period contemplated within this Plan may be shortened to five (5) days.
- In-person public hearings may be replaced by virtual public hearings if:
  - 1) national/local health authorities recommend social distancing and limiting public gatherings for public health reasons; and
  - 2) virtual hearings provide reasonable notification and access for citizens in accordance with the grantee's certifications, timely responses from local officials to all citizen questions and issues, and public access to all questions and responses.
- Further, the City may vary from its Citizen Participation Plan and will attempt to follow the below reasonable notice and public comment procedures if City offices are physically closed to public access:
  - Public notices will be published in the "Public Notices" sections of the Merced County Times and the Merced Sun-Star newspaper publications approximately 15 days before a scheduled meeting to decide on any required actions related to the City's HUD Plans.
  - The Public notices will note the specific comment period and the meeting date on which the item(s) will be reviewed and action taken.

- Proposed amendments to Plans will be made available for viewing from our website: [www.cityofmerced.org](http://www.cityofmerced.org), or can be emailed upon request by emailing:
- [housing@cityofmerced.org](mailto:housing@cityofmerced.org) on any day prior to 2:00 p.m. on the last day of the posted comment period.
- The City will make an effort to post any small (1 to 10 pages) documents in a locked, see-through case that is located outside the Merced Civic Center, 678 W. 18th Street, Merced, California, during the entire comment period. Documents may not otherwise be viewable in person.
- Members of the public may submit comments during the five-day comment period specified in the section above via: 1) by email of 500 words or less to [housing@cityofmerced.org](mailto:housing@cityofmerced.org), or, 2) by leaving a voicemail no longer than three minutes in length to at a phone number to be provided.
- Comments received may be read or received at the scheduled City Council meeting. Technology permitting, members of the public who have submitted comments may be called during the scheduled teleconferenced City Council meeting to provide additional comments during the meeting in real time.
- The teleconferenced City Council meetings will be broadcast on Comcast Public Access Channel 96, through website livestream, and via a live social media feeds.

## **E. FUNDING OF PUBLIC SERVICES**

In the event there is a demonstrated need to fund public services, the following will occur:

The City will issue a Notice of Funding Availability (NOFA) for the community meeting for the Annual Action Plan, beginning with the respective program year. The notice will identify the amount of CDBG funds available to public service agencies with CDBG-eligible activities. The agencies may apply to the City at the following address:

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

All applications must include the following information in order to be eligible to receive CDBG funds:

- Completed City Housing Division CDBG Application & Documentation
- Alignment to National Objectives – 24 CFR 570.209(a)
- Alignment to CDBG Eligible Activities – 24 CFR 570.201
- Proof of organization's eligibility status and ability to oversee and carry out a federally funded program and reporting requirements

City staff will review applications to determine the eligibility of submissions. City staff will evaluate projects based on alignment to the City's ConPlan, Annual Action Plan, National Objectives, CDBG Eligible Activities, benefits to low- and moderate-income residents, and on the projects' feasibility. The selected

projects will be recommended to the City Council for approval. Applicants will be notified by mail within 10 days of the City Council's decision.

#### F. CITIZEN PARTICIPATION SUMMARY

DOCUMENT	PUBLIC PARTICIPATION	REQUIRED TIME FOR PUBLIC REVIEW	REQUIRED APPROVAL	DEADLINE
<b>Citizen Participation Plan</b>	Available for Public Review 10-Day Notice  Exception During Disasters/HUD-approved Circumstances: 5-Day Notice	30-Day Public Review  Exception During Disasters/HUD-approved Circumstances: 5-Day Public Review	City Council	N/A
<b>ConPlan and/or Annual Action Plan</b>	Public Hearing 10-Day Notice 2-4 Community Input Meetings Area Specific Forums (CP only)  Exception During Disasters/HUD-approved Circumstances: virtual public hearing allowed; 5-Day Notice	30-Day Public Review No later than March  Exception During Disasters/HUD-approved Circumstances: 5-Day Public Review	City Council	Submit to HUD Prior to May 15
<b>Substantial Amendments</b>	No Public Hearing	30-Day Public Review  Exception During Disasters/HUD-approved Circumstances: 5-Day Public Review	City Council	Submit to HUD
<b>CAPER</b>	One Public Meeting	15-Day Public Review	City Council	Submit to HUD Prior to Sept. 30

## G. GLOSSARY

**Annual Action Plan:** An annual plan relative to the use of CDBG and HOME funds as aligned with CDBG Eligible Activities and National Objectives.

**Citizen Participation Plan:** A plan to involve residents in the planning, implementation and assessment of how the CDBG, HOME and ESG funds will be used.

**Community Development Block Grant (CDBG):** A HUD program that provides communities with financial resources to address community development needs identified by HUD to include a suitable living environment, affordable housing, economic opportunities, and homelessness.

**Consolidated Annual Performance Evaluation Report (CAPER):** An annual assessment relative to the CDBG, HOME and ESG funds received.

**Consolidated Plan (ConPlan):** A five-year strategic plan required by HUD that outlines a unified vision for addressing housing, homelessness, special populations and community economic development needs.

**ESG:** Emergency Shelter Grant

**HOME Investment Partnership (HOME):** A federal block grant designed exclusively to create affordable housing for low- and moderate-income households.

**Low- and Moderate-Income Households:** Households earning less than 80% of the area median family income. They are broken down into the following income designations:

- **Very Low Income:** Households with incomes less than 30% of the area median family income, adjusted for household size.
- **Low Income:** Households with incomes between 31% and 50% of the area median family income, adjusted for household size.
- **Moderate Income:** Households with incomes between 51% and 80% of the area median family income, adjusted for household size.

**Low- and Moderate-Income Neighborhood:** Generally, a census tract/s or block group/s where a minimum of 51% of the residents are low- or moderate-income households.

**Median Family Income (MFI):** An index of median family income by household size determined annually by HUD surveys of major metropolitan areas.

**Program Year:** An annual period from July 1 through June 30 for which the accounting of the CDBG, HOME and ESG funds occurs.

**U.S. Department of Housing and Urban Development (HUD):** A cabinet-level federal agency with a mission to increase homeownership, support community development and increase access to affordable housing free from discrimination.

**RESOLUTION NO. 2020-\_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF MERCED, CALIFORNIA,  
APPROVING AN AMENDMENT TO THE CITY  
OF MERCED FISCAL YEAR 2015-2020  
CONSOLIDATED PLAN AND AMENDMENT #2  
TO THE PROGRAM YEAR 2019-2020 ANNUAL  
ACTION PLAN TO ALLOCATE THE  
ADDITIONAL FUNDS MADE AVAILABLE  
THROUGH THE CORONAVIRUS AID, RELIEF,  
AND ECONOMIC SECURITY ACT  
REALLOCATING FISCAL YEAR 2019-2020 CDBG  
FUNDING TOWARDS COVID-19 CORONAVIRUS  
RESPONSE; APPROVING AMENDMENTS TO  
THE CITIZEN PARTICIPATION PLAN;  
AUTHORIZING THE CITY MANAGER OR  
ASSISTANT CITY MANAGER TO EXECUTE ANY  
RELATED DOCUMENTS AND/OR  
SUBRECIPIENT AGREEMENTS RESULTING  
FROM THIS ALLOCATION; CERTIFYING  
COMPLIANCE WITH THE REQUIREMENTS OF  
THE COMMUNITY DEVELOPMENT BLOCK  
GRANT (CDBG) PROGRAM, AND  
AUTHORIZING STAFF TO SUBMIT ALL  
APPROVED DOCUMENTS TO THE U.S.  
DEPARTMENT OF HOUSING AND URBAN  
DEVELOPMENT**

WHEREAS, as a U.S. Department of Housing and Urban Development (HUD) entitlement community, the City of Merced is required to develop a Substantial Amendment to the Annual Action Plan when it makes changes to its planned or actual activities funded with Community Development Block Grant (CDBG and HOME Investment Partnerships (HOME) funds; and

WHEREAS, HUD requires the City of Merced develop, in consultation with its citizens and community-based service providers, a funding strategy that furthers its housing and community development goals as described in the City's Five-Year Consolidated Plan for FY 2015-2020; and

WHEREAS, citizen participation is a key component of the Substantial Amendment to the Annual Action Plan process; and

WHEREAS, HUD regulations require the City provide ample opportunity and means for the populations served by the grants, as well as the general citizenry, to provide input on the goals and priorities and the specific type of activities to be funded in the City's Substantial Amendment to the Program Year 2019-2020 Annual Action Plan; and

WHEREAS, on March 19, 2020, the State of California issued an Order of the State Public Health Officer that ordered all individuals to stay at their place of residence except as needed to maintain continuity of operations of the federal critical infrastructure sectors and on or March 16, 2020, the City Council adopted a resolution confirming and ratifying the existence of a local emergency within the territorial limits of the City of Merced proclaimed by the Director of Emergency Services on March 13, 2020, in response to the Coronavirus creating a hardship on local industries; and

WHEREAS, on March 27, 2020, the United States Congress passed the Coronavirus Aid, Relief, and Economic Security Act (CARES Act – H.R. 748); and

WHEREAS, the bill under Community Development Block Grant – Coronavirus (CDBG-CV) waives the 30-day comment period for a substantial amendment and reduces it to no less than five (5) days; it eliminates the in-person public hearing and allows grantees the option of holding virtual hearings; it suspends the 15 percent cap on public services, including FY 19 and FY 20 CDBG funds; it allows HUD to waive further requirements (except related to fair housing, nondiscrimination, labor standards, and the environment); and it allows the grantees to be reimbursed for COVID-19 response activities regardless of the date the costs were incurred; and

WHEREAS, on April 1, 2020, HUD released the CDBG-CV funding allocation for the City of Merced in the amount of \$661,246; and

WHEREAS, \$161,246 of CDBG-CV will be allocated to the Public Services Project; and

WHEREAS, \$500,000 of CDBG-CV will be allocated to Economic Development projects; and

WHEREAS, \$38,754 of 2019-2020 CDBG unanticipated program income will be allocated to Public Services Projects; and

WHEREAS, \$81,565 of 2019-2020 CDBG funds will be reallocated to Public Services Projects from Development Projects/HUD 108 payment; and

WHEREAS, \$4,920 of 2019-2020 CDBG funds will be reallocated from First Time Homebuyer Classes to other Public Services Projects; and

WHEREAS, \$30,000 for funding of CDBG/Public Services/Project Sentinel-Fair Housing will be reallocated and funded from HOME Administrative Funds; and

WHEREAS, in compliance with the HUD approved waiver for the Citizens Participation Plan requirements, a 5-day public period to review and comment on the draft amendment opened Monday, May 4, 2020, includes a public hearing at the City Council meeting on May 4, 2020, and will close Friday, May 8, 2020; and citizen participation was conducted completely online, and through voicemail and email comment; and the Plan is available on the City of Merced website; and,

WHEREAS, in the event HUD provides opportunity for extended or new waiver(s) of Citizen Participation Plan requirements during federally declared disasters or other unforeseen circumstance, the City is establishing amended procedures for public notice, public review and comment, and citizen participation that enables the City to redirect resources expeditiously to the most immediate community needs.

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

SECTION 1. The City Council of the City of Merced hereby approves the amendment to the City of Merced Fiscal Year 2015-2020 Consolidated Plan; and Amendment #2 to the 2019-2020 HUD Annual Action Plan; and amendments to the 2017 Citizen Participation Plan. The City Manager is hereby authorized to execute all documents related thereto, and staff is authorized to submit all documents to the United States Department of Housing and Urban Development.

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PASSED AND ADOPTED by the City Council of the City of Merced at a regular meeting held on the \_\_\_\_ day of \_\_\_\_\_ 2020, by the following vote:

AYES: Council Members:

NOES: Council Members:

ABSENT: Council Members:

ABSTAIN: Council Members:

APPROVED:


\_\_\_\_\_  
Mayor

ATTEST:  
STEVE CARRIGAN, CITY CLERK

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

(SEAL)

APPROVED AS TO FORM:

 5/4/2020  
\_\_\_\_\_  
City Attorney      Date



## ADMINISTRATIVE REPORT

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**Agenda Item J.2.**

Meeting Date: 5/18/2020

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*Report Prepared by: Denise Frazier, Chief Building/Construction Official*

**SUBJECT:** Public Hearing for Potential Introduction of Ordinance Adding Chapter 17.64, "Electric Vehicle Charging Systems," to the Merced Municipal Code, Including Definitions, Permitting Process and Installation Requirements

### REPORT IN BRIEF

Considers adding Section 17.64 of Merced Municipal Code. Sections 17.64.010 Definitions, 17-64.020 Permitting Process, and 17.64.030 Installation Requirements.

### RECOMMENDATION

**City Council** - Adopt a motion introducing **Ordinance 2515**, an Ordinance of the City Council of the City of Merced, California, Adding Chapter 17.064, "Electric Vehicle Charging Systems" of the Merced Municipal Code.

### ALTERNATIVES

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

### AUTHORITY

The California Government Code section 65850.7 requires that every jurisdiction must adopt an ordinance that creates an expedited, streamlined permitting process for electric vehicle charging stations.

### CITY COUNCIL PRIORITIES

Not applicable.

### DISCUSSION

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Assembly Bill (AB) 1236, amended Government Code Section 65850.7. The amendment to Section 65850.7 require a jurisdiction to adopt an ordinance for the expedited, streamlined permitting process. The ordinance mandates that a jurisdiction adopt a checklist of requirements to verify a permit application is eligible for expedited review.

This process includes the establishment of a checklist containing objective requirements for the installation of an electric vehicle charging station and a process for electronic submittal of permit applications. Section 65850.7 requires that the checklist be based on the “Plug-In Electric Vehicle Infrastructure Permitting Checklist” of the “Zero-Emission Vehicles in California: Community Readiness Guidebook” of the Governor’s Office of Planning and Research.

AB 1236 also clarifies that a jurisdiction shall not condition approval of a permit for an electric vehicle charging station based on the approval of a homeowners’ association.

The City currently has the procedures in place, such as the checklist available on our website and electronic submittal of plans. In addition, the City’s procedures comply with the requirements of AB 1236. By the adoption of this ordinance, Staff is ensuring that successful implementation of an expedited, streamlined process will be available to permit applicants, consistent with state law.

## **IMPACT ON CITY RESOURCES**

No appropriation of funds is needed.

## **ATTACHMENTS**

1. Ordinance
2. Checklist
3. Presentation

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

**AN ORDINANCE OF THE CITY COUNCIL OF  
THE CITY OF MERCED, CALIFORNIA, ADDING  
CHAPTER 17.64, "ELECTRIC VEHICLE  
CHARGING SYSTEMS," TO THE MERCED  
MUNICIPAL CODE**

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

**SECTION 1. AMENDMENT TO CODE.** Chapter 17.64, "Electric Vehicle Charging Systems," of the Merced Municipal Code is hereby amended to read as follows:

**"CHAPTER 17.64  
ELECTRIC VEHICLE CHARGING  
SYSTEMS**

**Sections:**

**17.64.010 Definitions.**

**17.64.020 Permitting Process.**

**17.64.030 Installation Requirements**

**17.64.010 Definitions.**

A. 'Electric vehicle charging station' or 'charging station' means any level of electric vehicle supply equipment station that is designed and built in compliance with Article 625 of the California Electrical Code, now existing or hereinafter amended, and delivers electricity from a source outside an electric vehicle into a plug-in electric vehicle.

B. 'Specific, adverse impact' means a significant, quantifiable, direct and unavoidable impact, based on objective, identified and written public health or safety standards, policies or

conditions as they existed on the date the application was deemed complete.

C. 'Electronic submittal' means the utilization of one or more of the following:

1. Electronic mail or email;
2. The internet; or
3. Facsimile.

#### **17.64.020 Permitting Process.**

A. The expedited, streamlined permitting process for electrical vehicle charging systems shall comply with the applicable requirements contained in Section 17.64.030 of this Code and all of the following:

1. The Building Official shall implement an expedited, streamlined permitting process for electric vehicle charging stations, and adopt a checklist of all requirements with which electric vehicle charging stations shall comply with in order to be eligible for expedited review.
2. The checklist and required permitting documentation shall be published on a publically accessible internet website.
3. As allowed by available resources, the Building Division shall allow electronic submittal of a permit application and associated documentation and shall allow electronic signature in lieu of a wet signature.

4. The Building Division shall determine whether the application and supporting documentation are complete and meet all requirements of the California Building Standards Codes and then shall promptly approve or deny the application in writing.

5. Prior to submitting an application for processing, the applicant shall verify that the installation of an electric vehicle charging station will not have specific, adverse impact to public health and safety and building occupants. Verification by the applicant includes, but is not limited to, electrical system capacity and loads; electrical system wiring, bonding and overcurrent protection; building infrastructure affected by charging station equipment and associated conduits; and areas of charging station equipment and vehicle parking.

6. If the application is approved, the Building Division shall issue all required permits.

#### **17.64.030 Installation Requirements.**

A. Electric vehicle charging station equipment shall meet the requirements of the California Electrical Code, the Society of Automotive Engineers, the National Electrical Manufacturers Association and accredited testing laboratories such as Underwriters Laboratories, and rules of the Public Utilities Commission or a Municipal Electric Utility Company regarding safety and reliability.

B. Installation of electric vehicle charging stations and associated wiring, bonding,

disconnecting means and overcurrent protective devices shall meet the requirements of Article 625 and all applicable provisions of the California Electrical Code.

C. Installation of electric vehicle charging stations shall be incorporated into the load calculations of all new or existing electrical services and shall meet the requirements of the California Electrical Code. Electric vehicle charging equipment shall be considered a continuous load.

D. Anchorage of either floor-mounted or wall-mounted electric vehicle charging stations shall meet the requirements of the California Building or Residential Code as applicable per occupancy, and the provisions of the manufacturer's installation instructions. Mounting of charging stations shall not adversely affect building elements."

**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 \_\_\_\_\_, 2020, and was passed and adopted at a regular meeting of said City Council held on the \_\_\_\_ day of \_\_\_\_\_, 2020, 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:**

 \_\_\_\_\_ **City Attorney**      3-16-2020 **Date**





## CITY OF MERCED INSPECTION SERVICES

### CHECKLIST FOR ELECTRICAL VEHICLE CHARGING SYSTEMS

All forms available at <https://www.cityofmerced.org/departments/development-services/building-division>

- ☐ Completed Application
- ☐ Electrical Service Load Calculations
- ☐ Equipment Manufacturer's Installation Instructions
- ☐ Site Plan and Layout for location

#### Use of Building Area

- ☐ Single Family   ☐ Multi-family   ☐ Commercial (Single Business)   ☐ Commercial (Multi Businesses)
- ☐ Mixed-Use   ☐ Public Right of Way

#### Location and Quantity of EVSE to be Installed

Garage \_\_\_\_\_ Parking Levels \_\_\_\_\_ Parking Lot \_\_\_\_\_ Street Curb \_\_\_\_\_

PROVIDE ON LAYOUT/SITE PLAN

#### Electronic Submittal Requirements

- ☐ PDF files of forms listed above
- ☐ Email all PDF files to [inspectionsservicesweb@cityofmerced.org](mailto:inspectionsservicesweb@cityofmerced.org)

### Eligibility Checklist for Expedited Electrical Vehicle Charging Station Permit

*(\*Please complete a Permit Submittal Application in addition to this checklist)*

Type of Charging Station(s)	Power Levels (proposed circuit rating)	Check one
Level 1	110/120 volt alternating current (VAC) at 15 or 20Amps	<input type="checkbox"/>
Level 2 – 3.3 kW (low)	208/240 VAC at 20 or 30 Amps	<input type="checkbox"/>
Level 2 – 6.6 kW (medium)	208/240 VAC at 40 Amps	<input type="checkbox"/>
Level 2 – 9.6 kW (high)	208/240 VAC at 50 Amps	<input type="checkbox"/>
Level 2 – 19.2 kW (highest)	208/240 VAC at 100 Amps	<input type="checkbox"/>
Other (Provide Detail): _____	Provide Rating: _____ _____	<input type="checkbox"/>



## CITY OF MERCED INSPECTION SERVICES

### Permit Application Requirements:

A. Does the application include EVCS manufacturer's specs and installation guidelines?	Y <input type="checkbox"/>	N <input type="checkbox"/>
--	----------------------------	----------------------------

### Electrical Load Calculation Worksheet:

A. Is an electrical load calculation worksheet included? ( <b>CEC 220</b> )	Y <input type="checkbox"/>	N <input type="checkbox"/>
B. Based on the load calculation worksheet, is a new electrical service panel upgrade required?	Y <input type="checkbox"/>	N <input type="checkbox"/>
1) If yes, do plans include the electrical service panel upgrade?	Y <input type="checkbox"/>	N <input type="checkbox"/>
C. Is the charging circuit appropriately sized for a continuous load of 125%?	Y <input type="checkbox"/>	N <input type="checkbox"/>
D. If charging equipment proposed is a Level 2 – 9 kW station with a circuit rating of 50 Amps or higher, is a completed panel schedule with electrical calculations included with the single line diagram?	Y <input type="checkbox"/>	N <input type="checkbox"/>

### Site Plan-Floor Plan and Single Line Drawing:

A. Is a site plan (Commercial only), floor plan and separate electrical plan with a single-line diagram included with the permit application?	Y <input type="checkbox"/>	N <input type="checkbox"/>
1) If mechanical ventilation requirements are triggered for indoor venting requirements ( <b>625.52</b> ), is mechanical plan included with the permit application?	Y <input type="checkbox"/>	N <input type="checkbox"/>
B. Is the site plan fully dimensioned and drawn to scale? (Commercial only)	Y <input type="checkbox"/>	N <input type="checkbox"/>
1) Showing location, size, and use of all structures?	Y <input type="checkbox"/>	N <input type="checkbox"/>
2) Showing location of electrical panel to charging system?	Y <input type="checkbox"/>	N <input type="checkbox"/>
3) Showing type of charging system and mounting?	Y <input type="checkbox"/>	N <input type="checkbox"/>
4) Is the project located in the 100 year flood plain?	Y <input type="checkbox"/>	N <input type="checkbox"/>

### Compliance with 2019 California Electrical Code:

A. Does the plan include EVCS manufacturer's specs and installation guidelines?	Y <input type="checkbox"/>	N <input type="checkbox"/>
B. Does the electrical plan identify the amperage and location of existing electrical service panel?	Y <input type="checkbox"/>	N <input type="checkbox"/>
1) If yes, does the existing panel schedule show room for additional breakers?	Y <input type="checkbox"/>	N <input type="checkbox"/>
C. Is the Charging unit rated more than 60 amps or more than 150V to ground?	Y <input type="checkbox"/>	N <input type="checkbox"/>
1) If yes, are disconnecting means provided in a readily accessible location in line of site and within 50' of EVCS? ( <b>CEC 625.43</b> )	Y <input type="checkbox"/>	N <input type="checkbox"/>
D. Does the charging equipment have a Nationally Recognized Laboratory (NRTL) approved listing mark? (UL 2202/UL 2200)	Y <input type="checkbox"/>	N <input type="checkbox"/>
E. If trenching is required, is the trenching detail called out?	Y <input type="checkbox"/>	N <input type="checkbox"/>
1) Is the trenching in compliance with electrical feeder requirements from structure to structure? ( <b>CEC 225</b> )	Y <input type="checkbox"/>	N <input type="checkbox"/>
2) Is the trenching in compliance with minimum cover requirements for wiring methods or circuits? (18" for direct burial per <b>CEC 300</b> )	Y <input type="checkbox"/>	N <input type="checkbox"/>



## CITY OF MERCED INSPECTION SERVICES

### Compliance with the 2019 California Green Building Standards Code (CGBSC):

A. Does the CAL Green EV Readiness installation requirements apply to this project?	Y <input type="checkbox"/>	N <input type="checkbox"/>
1) Do the plans demonstrate conformance with <b>CGBSC Table 5.106.5.3.3</b> for the minimum required number of charging spaces?	Y <input type="checkbox"/>	N <input type="checkbox"/>
2) Do the construction plans comply with the design requirements set forth in <b>CGBSC 5.106.5.31</b> for single charging spaces of <b>CGBSC 5.106.5.3.2</b> for multiple charging spaces?	Y <input type="checkbox"/>	N <input type="checkbox"/>

### Compliance with 2019 California Building Code, Chapter 11-A/B Accessibility Features:

A. Do the plans clearly depict all required accessible EVCS features for the disabled?	Y <input type="checkbox"/>	N <input type="checkbox"/>
1) Do the plans identify the correct number and type of accessible EVCS stalls required in accordance with <b>Table 11B-228.3</b> ?	Y <input type="checkbox"/>	N <input type="checkbox"/>
2) Do the plans detail compliance with the accessible EVCS features required by <b>11B-812</b> and <b>Figure 11B-812.9</b> ?	Y <input type="checkbox"/>	N <input type="checkbox"/>

### EVSE Location and Metering

Proposed EVSE location may not be located over any underground utility facilities, equipment, and/or infrastructure. Also, a dedicated meter may be required on any EVSE.

I hereby acknowledge that the information presented is a true and correct representation of existing conditions at the job site and that any causes for concern as to life-safety verifications may require further substantiation of information. I also acknowledge that nothing herein shall modify or remove my obligation as a permit applicant, owner, or operator of an electric vehicle charging station to comply with any electric utility's reasonable and feasible safety, reliability, and engineering interconnection policies.

Signature of Permit Applicant: \_\_\_\_\_ Date: \_\_\_\_\_



# AB 1236: EXPEDITED PERMITTING FOR ELECTRIC VEHICLE CHARGING STATIONS

Denise Frazier, Chief Building Official

May 18, 2020



# Background

## Why is an Ordinance Required?

Plan review checklists

Publish checklists on website

Allow electronic submittal

Checklists and expedited process shall substantially conform with “*Zero-Emission Vehicles in California: Community Readiness Guidebook*” from the Governor’s Office of Planning and Research



# Purpose of AB 1236

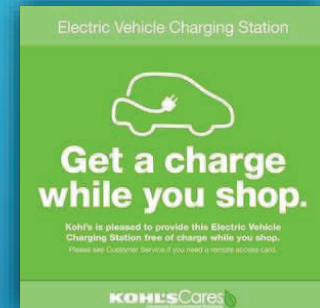
*“Removes obstacles to, and minimizes costs of, permitting for charging stations”*

*“Does not supersede the Building Official’s authority to identify and address higher priority life-safety situations”*

Systems must meet all life safety requirements of local, state, and federal law.

Applies to all EV Charging Applications

Permitting process may change depending on the complexity of the system. (i.e. 120v vs. 240v)





# What is Required?



Plan review checklists

Publish checklists on website

Allow electronic submittal

Checklists and expedited process shall substantially conform with “*Zero-Emission Vehicles in California: Community Readiness Guidebook*” from the Governor’s Office of Planning and Research



# Compliance



City is in compliance with AB1236

Checklists are available at counter and online

Electronic submittal is available

Checklists and expedited process conforms with “*Zero-Emission Vehicles in California: Community Readiness Guidebook*”





# Questions?





## ADMINISTRATIVE REPORT

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### Agenda Item J.3.

Meeting Date: 5/18/2020

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*Report Prepared by: Julie Nelson, Associate Planner, Development Services Department*

**SUBJECT:** Public Hearing - Vacation No. 20-01 for the Adoption of a Resolution Ordering the Vacation of a Sewer Lift Station Easement, Temporary Construction Access Easement, and a Public Utilities Easement Generally Located at the West End of the Property Located at 1610 West 16<sup>th</sup> Street

### REPORT IN BRIEF

Continue the public hearing to June 1, 2020, for a request to vacate a 908-square-foot sewer lift station easement, a 980-square-foot temporary construction easement for the sewer lift station, and a 2,791-square-foot public utilities easement generally located on the west end of the property located at 1610 West 16th Street.

### RECOMMENDATION

**City Council** - Open the Public Hearing and adopt a motion continuing the Public Hearing to the meeting of June 1, 2020.

### ALTERNATIVES

1. Continue, as recommended by staff; or,
2. Approve, subject to modifications as conditioned by Council; or,
3. Deny based on specific findings; or,
4. Refer back to staff for reconsideration of specific items as requested by Council; or,

### AUTHORITY

Section 8335 of the Streets and Highways Code authorizes the City Council to vacate a right-of-way or easement by adopting a resolution of vacation. Section 8336 of that Code requires the City Clerk to record a certified copy of the resolution of vacation. Additionally, City of Merced Administrative Policy A-6 provides direction to staff for processing vacation requests, and City Resolution 76-80 establishes a policy concerning costs associated with the vacation.

### CITY COUNCIL PRIORITIES

Not applicable.

### DISCUSSION

City staff is working with the owner to determine a new easement area. The easement area has not been determined at this point. Staff does not recommend vacating the existing easement area until the new easement area has been dedicated. Therefore, staff recommends the public hearing be

opened and continued to the June 1, 2020, City Council meeting.

Recommendation

Staff is recommending this item be continued to the City Council meeting of June 1, 2020.



# CITY OF MERCED

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

## ADMINISTRATIVE REPORT

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**Agenda Item K.1.**

Meeting Date: 5/18/2020

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*Report Prepared by: Steven S. Carrigan, City Manager*

**SUBJECT:** Report to Council on for an Update Measures to Assist Local Businesses and Residents Through a the Proposed COVID-19 Recovery Plan

### REPORT IN BRIEF

Report from Staff and the Council Subcommittee regarding an update on the proposed COVID-19 Recovery Plan to assist local businesses and residents due to the COVID-19 pandemic.

### RECOMMENDATION

Provide additional direction to staff on the refined elements that have been included in the proposed COVID-19 Recovery Plan for future Council adoption and implementation.

### ATTACHMENTS

None



# CITY OF MERCED

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

## ADMINISTRATIVE REPORT

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**Agenda Item K.2.**

Meeting Date: 5/18/2020

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*Report Prepared by: Michael R. Beltran II, PE, City Engineer*

**SUBJECT:** Report to Council on Recently Completed, Current, and Upcoming Street Projects

### REPORT IN BRIEF

Updates on the City's street projects.

### RECOMMENDATION

For Information Only.

### ATTACHMENT

1. Presentation



# STREETS UPDATE

CITY COUNCIL MEETING  
MAY 18, 2020

# QUARTERLY UPDATES

- Completed projects
- Projects ready for constructions
- Projects in design



# COMPLETED PROJECTS

- **M Street**
  - Bear Creek to Rambler
  - 16<sup>th</sup> to 18<sup>th</sup>
- **Main Street, M to N**
- **N Street, Childs to 8<sup>th</sup>**
- **Slurry Seal**
  - Canal St, Childs to 14<sup>th</sup>
  - Merced Ave, Motel to Parsons
  - 26<sup>th</sup> St, G to M
  - El Portal, G to Joerg Ave.





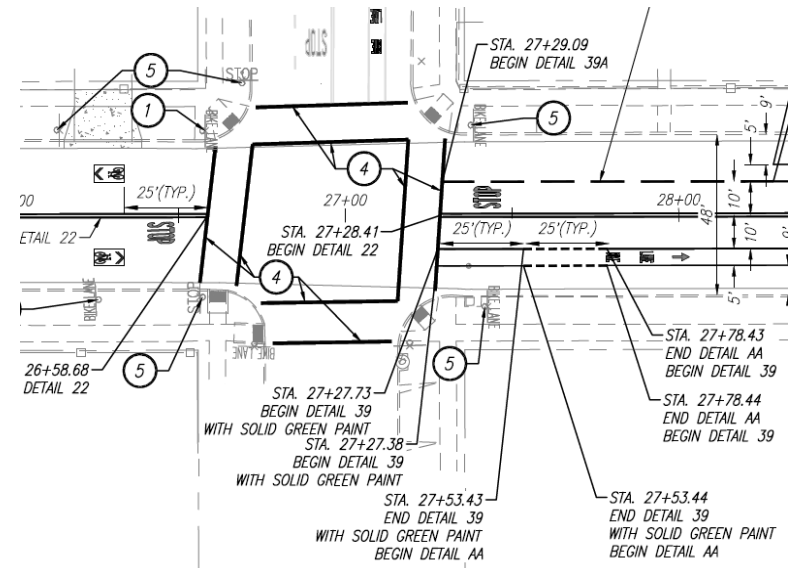
# PROJECTS IN CONSTRUCTION

- Bidding Soon
  - R Street, Loughborough to Buena Vista
  - M Street, 8<sup>th</sup> to 13<sup>th</sup>
  - Alpine Drive, G to Wainwright
- In Construction
  - M Street, Childs to 8th



# PROJECTS IN DESIGN

- R Street, 16<sup>th</sup> to 18<sup>th</sup>
- V Street, 16<sup>th</sup> to 18<sup>th</sup>
- G Street, Childs to 13<sup>th</sup>
- B Street, Childs to 15<sup>th</sup>
- N Street, 16<sup>th</sup> to 18<sup>th</sup>
- Canal Street, 19<sup>th</sup> to BNSF RR
- Highway 59
  - 16<sup>th</sup> to Olive
  - Black Rascal Bridges
  - Right Turn Channelization
  - Traffic Signal at 16th

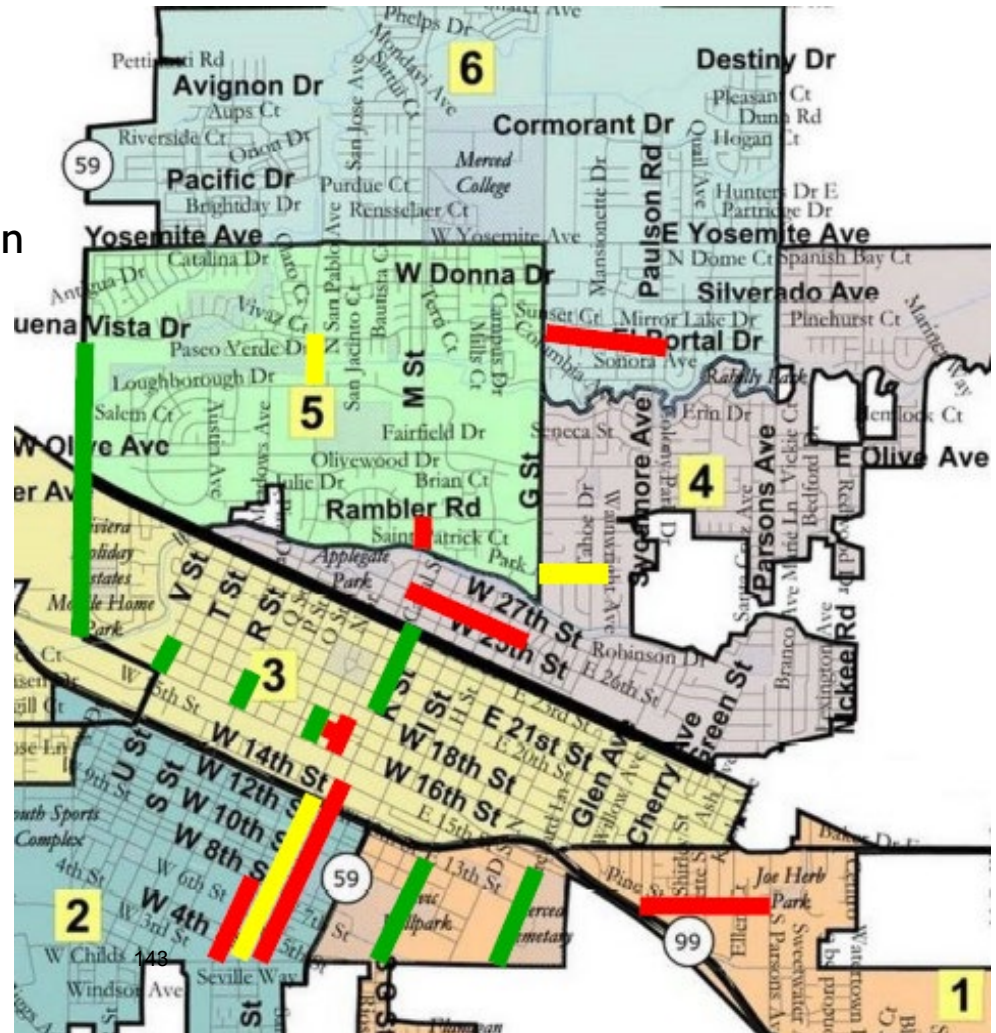


# SUMMARY

Last 12 Months

Bidding Soon / In Construction

Design





## ADMINISTRATIVE REPORT

Agenda Item K.3.

Meeting Date: 5/18/2020

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

**SUBJECT:** Adoption of Resolution Approving the Fiscal Year 2020/2021 Project List for the Road Repair Accountability Act (SB 1) and Council Prioritization of SB1 and Measure V Local Street Projects for the Fiscal Year 2020/2021

### REPORT IN BRIEF

Requests the City Council to approve the list of projects proposed to be funded with Road Maintenance and Rehabilitation Account (RMRA) funds pursuant to SB1 for FY 2020/2021, and requests City Council prioritization of Fiscal Year (FY) 2020/2021 SB1 and Measure V local projects.

### RECOMMENDATION

**City Council** - Adopt a motion selecting Projects for the FY 2020/2021 Project List (SB1) and Prioritizing FY 2020/2021 Projects and approving **Resolution 2020-18**, A Resolution of the City Council of the City of Merced, California, Approving the "FY 2020-2021 Project List" for the Road Repair and Accountability Act (SB1), Local Streets and Roads Funding for Fiscal Year 2020-2021".

### ALTERNATIVES

1. Approve as recommended by staff; or,
2. Approve, subject to modifications by City Council; or,
3. Deny.

### AUTHORITY

Streets and Highways Code (SHC) Section 2034(a)(1) requires an eligible city to submit to the California Transportation Commission a list of projects proposed to be funded with Road Maintenance and Rehabilitation Account (RMRA) funds; the approved project list must be incorporated into City budget and adopted at a regular public meeting.

### CITY COUNCIL PRIORITIES

Addresses City Council Priority for local roads/sidewalks/traffic.

### DISCUSSION

#### Background (SB1)

On April 28, 2017, the Governor signed Senate Bill 1 (SB1), also known as the Road Repair and Accountability Act of 2017. This program provides funding for basic road maintenance, rehabilitation, and critical safety needs for state highways and local streets.

The funding will be deposited by the State Controller into the Road Maintenance and Rehabilitation Account (RMRA) and will be apportioned by formula to eligible cities. In order for a city to be eligible to receive RMRA funding, an approved project list must be approved at a regular public meeting and submitted to the California Transportation Commission (CTC) no later than May 1<sup>st</sup> each year. On April 29, 2020 the CTC took action to approve a one-time extension for submittal of project lists and expenditure reporting due to the current COVID-19 pandemic. The approved project list must be submitted by July 15, 2020.

Projects eligible for RMRA funding include, but are not limited to, road maintenance and rehabilitation, safety projects, railroad grade separations, complete street components (including active transportation purposes, pedestrian and bicycle safety projects, transit facilities, and drainage and stormwater capture projects in conjunction with any other allowable project), and traffic control devices.

The project list must include a description, location, completion schedule, and estimated useful life of the improvement. This project list does not limit the City's flexibility in completing projects based on local needs and priorities, as long as the projects meet the standards in the RMRA guidelines. The City is required to annually submit a project list to the CTC in order to continue to be eligible for RMRA funding.

#### Background (Measure V, Local and Regional Projects)

On November 8, 2016, the voters of Merced County approved "Measure V", a one-half cent sales transaction and use tax to supplement transportation roads and alternative transportation project funding. The Measure V transportation sales tax will be in place for 30 years, expiring on March 31, 2047. The Merced County Association of Governments (MCAG) will administer the apportionment of sales tax funds to the County, six Cities and the agreed upon regional areas within Merced County.

On October 1, 2018, City Council approved the Measure V Regional Project Funding Agreement. Two City of Merced projects were selected by the Eastside Regional Project Committee and approved by the governing board, including:

1. Highway 59 Black Rascal Bridge (widening the bridge to a four-lane structure)
2. Highway 59 Phase 1 (widening of Highway 59 from 16<sup>th</sup> Street to Olive Avenue)

#### FY 2020/2021 Apportionment and Project Lists

The City of Merced is anticipated to receive \$1,151,663 in RMRA (SB1) funding for FY 20/21. Additionally, the City is anticipated to receive \$1,051,726 in Measure V funding for Local Projects and \$262,931 for Measure V Alternative Modes. Total anticipated funding is \$2,466,320. The Public Works and Engineering departments have developed a list of projects to be funded utilizing the FY 20/21 apportionments.

As not all of the FY 19/20 SB1 projects were completed, these must appear again on the FY 20/21 SB1 project list. These projects include:

**Existing/Carryover FY 2019/2020 SB1 and Measure V Projects**

- Sidewalk Replacement at various locations throughout the City - \$360,000 (Under Construction)
  - Curb and Gutter replacement at various locations throughout the City - \$19,000 (Under Construction)
  - Crack Filling at Various Locations - \$209,600
  - Grind & Overlay of Yosemite Avenue (Parson Ave to Mansionette) - \$737,100
  - Grind & Overlay of M Street (13<sup>th</sup> to Childs Ave) - \$603,638 (Phase 1 - 8<sup>th</sup> to Childs Ave, Under Construction)
  - Roadway Slurry Seal at Various Locations - \$270,500 (Completed)
  - 18<sup>th</sup> & R Street Roadway Improvements - \$629,000
  - Glen Avenue Roadway Improvements - \$488,900
  - R Street (Olive to Northwood) Roadway Improvements - \$462,800
  - 26<sup>th</sup> Street (Glen to 7<sup>th</sup> Street) Roadway Improvements - \$360,300
  - Childs Ave Roadway Improvements (Parsons Ave to Campus Parkway)\*\* - \$492,800
- \*\* - (propose moving out to a future year)

**Existing/Carryover Measure V Projects**

- Alpine Drive Overlay (G Street to Wainwright) - \$300,000 (Bidding Soon)
- Canal Overlay (19<sup>th</sup> to Railroad) - \$2,500,000 (Under Design)
- R Street Overlay/Reconstruct (Loughborough to Yosemite) - \$1,100,000 (Phase 1 Bidding soon)
- CMAQ Hwy 59 Traffic Signal (grant match)
- CMAQ Right Turn Channelization (grant match)
- CMAQ Sidewalk Infill at John Muir (grant match)
- CMAQ Sidewalk Infill on Motel Drive (grant match)
- CMAQ Sidewalk Infill on Olive/Parsons/Alexander Avenue (grant match)
- CMAQ Sidewalk Infill on R/S/T Streets (grant match)
- CMAQ Sidewalk Infill on 7<sup>th</sup>/8<sup>th</sup>/Linda Lane (grant match)

**Proposed FY 2020/2021 Projects List**

- Sidewalk Replacement at various locations throughout the City - \$621,800 (See attachment for locations)
- Curb and Gutter replacement at various locations throughout the City - \$21,600 (See attachment for locations)
- R Street Overlay/Reconstruct (Loughborough to Yosemite) - \$1,100,000 (Phase 1 - Loughborough to Buena Vista, Bidding soon)
- R Street Overlay/Reconstruct (Loughborough to Yosemite) - \$700,000 (Phase 2 - Buena Vista to Yosemite)
- Grind & Overlay of M Street (13<sup>th</sup> to Childs Ave) - \$650,000 (Phase 2 - 8<sup>th</sup> to 13<sup>th</sup>)



- Canal Overlay (19<sup>th</sup> to Railroad) - \$2,500,000
- Railroad Crossing Improvements - \$170,000 (See attachment for locations)
- Road Maintenance & Rehabilitation Programs and Material Purchase (Various Locations)
  - a. RMRA (SB1) - \$523,249
  - b. Measure V Alternative Modes - \$104,650
  - c. Measure V Streets/Roads - \$418,599

### SB1 Project List Submittal

The annual SB1 Project List submittal is due no later than July 15<sup>th</sup> to the California Transportation Commission (CTC). All carryover SB1 projects not completed by June 30<sup>th</sup> must be re-listed on the FY 2020/2021 Project List. Additionally, the annual Road Maintenance & Rehabilitation Program must be re-listed on the FY 2020/2021 Project List. This funding is used by the City's Streets Division for basic maintenance needs, including filling potholes, repairing sidewalks and asphalt, maintenance of streetlights, replacement of signs, painting and striping, etc.

Staff is seeking from Council selection of projects for inclusion on the FY 2020/2021 SB1 Project List, as well as prioritization of the proposed projects for FY 2020/2021.

### **IMPACT ON CITY RESOURCES**

The adopted SB 1 projects list must be submitted to the California Transportation Commission (CTC) no later than July 15, 2020 in order for the City of Merced to be eligible to receive the FY 2020/2021 apportionments.

A city or county receiving an apportionment of RMRA funds is required to sustain a "Maintenance of Effort" (MOE) by spending at least the annual average of its "general fund" expenditures during the 2009-10, 2010-11, and 2011-2012 fiscal years for the street and roadway purposes. The current MOE estimate has been revised from \$1,050,000 to \$124,538 per year in order to remain eligible for RMRA funding. Although the language used is "general fund" the MOE can be and will be met Measure C (Fund 061). The MOE requirement and the proposed list of projects have been included in the City Manager's Recommended FY 2020-21 Budget.

### **ATTACHMENTS**

1. Resolution 2020-18
2. FY 20/21 SB1 & Measure V Project List
3. FY 19/20 SB1 & Measure V Project List
4. Arterial Pavement Condition Map 2018 with Project Locations
5. Presentation

**RESOLUTION NO. 2020-\_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE  
CITY OF MERCED, CALIFORNIA, APPROVING  
THE "FY 2020-2021 PROJECT LIST" FOR THE  
ROAD REPAIR AND ACCOUNTABILITY ACT  
(SB1), LOCAL STREETS AND ROADS FUNDING  
FOR FISCAL YEAR 2020-2021**

WHEREAS, the City Council will adopt the annual Budget for the Fiscal Year beginning July 1, 2020 and ending June 30, 2021 at a future regular meeting;

WHEREAS, the Governor has signed Senate Bill (SB) 1, known as the Road Repair and Accountability Act of 2017, to address basic road maintenance, rehabilitation and critical safety needs;

WHEREAS, in order for a city to be eligible to receive program funding, an adopted Project List must be submitted to the California Transportation Commission (CTC) no later than May 1, 2020; and

WHEREAS, the City Council held a regular meeting on April 20, 2020 to review the "FY 2020-2021 Project List" pursuant to requirements in the Road Repair and Accountability Act (SB1), 2019 Local Streets and Road Funding Annual Reporting Guidelines.

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

SECTION 1. The City Council hereby approves the "FY 2020-2021 Project List" attached hereto as Exhibit A.

SECTION 2. The Finance Officer is authorized to make any necessary budget adjustments to incorporate the FY 2020-2021 Project List into the City's annual budget for Fiscal Year 2020-2021.

///

///



PASSED AND ADOPTED by the City Council of the City of Merced at a regular meeting held on the \_\_\_\_ day of \_\_\_\_\_ 2020, by the following vote:

AYES: Council Members:

NOES: Council Members:

ABSENT: Council Members:

ABSTAIN: Council Members:

APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:  
STEVE CARRIGAN, CITY CLERK

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

(SEAL)

APPROVED AS TO FORM:

Phueha A. Noh      2-27-2020  
City Attorney      Date

**PROPOSED FY 20/21  
SB1 & MEASURE V PROJECTS LIST**

FY 20-21 Sidewalk Remove & Replace Projects		
Location	Approximate Quantity (Square ft)	Estimated Cost
Loughborough Area (i.e. Denver, Juneau, Austin)	6,000	\$ 228,000
E 11th St, E 13th St, D St	1,315	\$ 49,970
Parsons Avenue	650	\$ 24,700
Main Street (O St. Side)	832	\$ 31,660
Kernland, Nancy, Steven Ct, Shamrock,	4,215	\$ 160,170
Shadowbrook and Bear Creek	3,350	\$ 127,300
Total Estimated Cost:		\$ 621,800

FY 20-21 Curb & Gutter Remove & Replace Projects		
Location	Approximate Quantity (Linear ft)	Estimated Cost
Loughborough Area (i.e. Austin, SW corner)	200	\$ 9,000
SE Corner of Childs and Parsons	220	\$ 9,900
1900 Block Shadowbrook Drive	60	\$ 2,700
Total Estimated Cost:		\$ 21,600

Crack Filling Projects		
Location	Approximate Quantity (Linear ft)	Estimated Cost
Olive Ave - (Hwy 59 to G Street)	10,300	\$ 67,700
G Street - (16th to 22nd)	2,400	\$ 13,000
16th Street - (V St to G St)	7,230	\$ 39,100
Yosemite (West of R St) w/Deep Patch	3,660	\$ 89,800
Total Estimated Cost:		\$ 209,600

Grind & Overlay Projects		
Location	Approximate Quantity (Linear ft)	Estimated Cost
Yosemite Ave (Parsons to Mansionette) w/Deep Patch	3,360	\$ 737,100
M Street (Childs Ave to 8th) w/Deep Patch (Phase 1)	1,840	\$ 603,638
M Street (8th to 13th) w/Deep Patch (Phase 2)	1,940	\$ 650,000
R St. from Buena Vista to Yosemite Ave (Phase 2)	1,900	\$ 400,000
Canal Street from 19 <sup>th</sup> St to 23rd St.	2,000	\$ 2,500,000
Alpine Dr. from G St to Wainwright	1,400	\$ 300,000
Total Estimated Cost:		\$ 5,190,738

Railroad Street Crossing Improvements		
Location	Approximate Quantity (Linear ft)	Estimated Cost
Highway 59 and BNSF Railroad Crossing		\$ 20,000
Glen Ave and BNSF Railroad Crossing		\$ 150,000
Total Estimated Cost:		\$ 170,000

Road Improvement/Reconstruction Projects		
Location	Approximate Quantity (Linear ft)	Estimated Cost
18th Street ( R St to V St)	1,920	\$ 629,000
R St. from Loughborough to Buena Vista (Phase 1)	1,160	\$ 1,100,000
Glen Ave (Santa Fe to Bear Creek)	1,940	\$ 488,900
R Street ( Olive Ave to Northwood Dr)	1,130	\$ 462,800
26th Street ( Glen to 7th)	1,330	\$ 360,300
Childs Ave (Parsons to Campus Parkway) **	6,900	\$ 492,800
Total Estimated Cost:		\$ 3,533,800

\*\*\* Grant funds needed

Road Maintenance & Rehabilitation Programs and Material Purchase		
Location	Approximate Quantity	Estimated Cost
Various Locations throughout City (SB 1 )	150 LS	\$ 523,249
Various Locations throughout City (Measure V)	LS	\$ 523,249
Total Estimated Cost:		\$ 1,046,498

## FY 19/20 PROJECT LIST

Sidewalk Remove & Replace Projects	
Location	Approximate Quantity (Square ft)
K, Canal, & 8th Streets (McNamara Park)	1,415
Seville Way	760
East Donna Drive	840
Q & 4th Streets	2,045
Q & 10 Streets	655
R & 10th Streets	100
Evelyn & Julie Drive	790
East 22nd St & Cherry Ave	190

Curb & Gutter Remove & Replace Projects	
Location	Approximate Quantity (Linear ft)
K Street	26
Q & 10th Streets	157
R & 10th/11th Streets	81
Evelyn Court	35
East 22nd St & Cherry Ave	31
V & 8th Streets	43

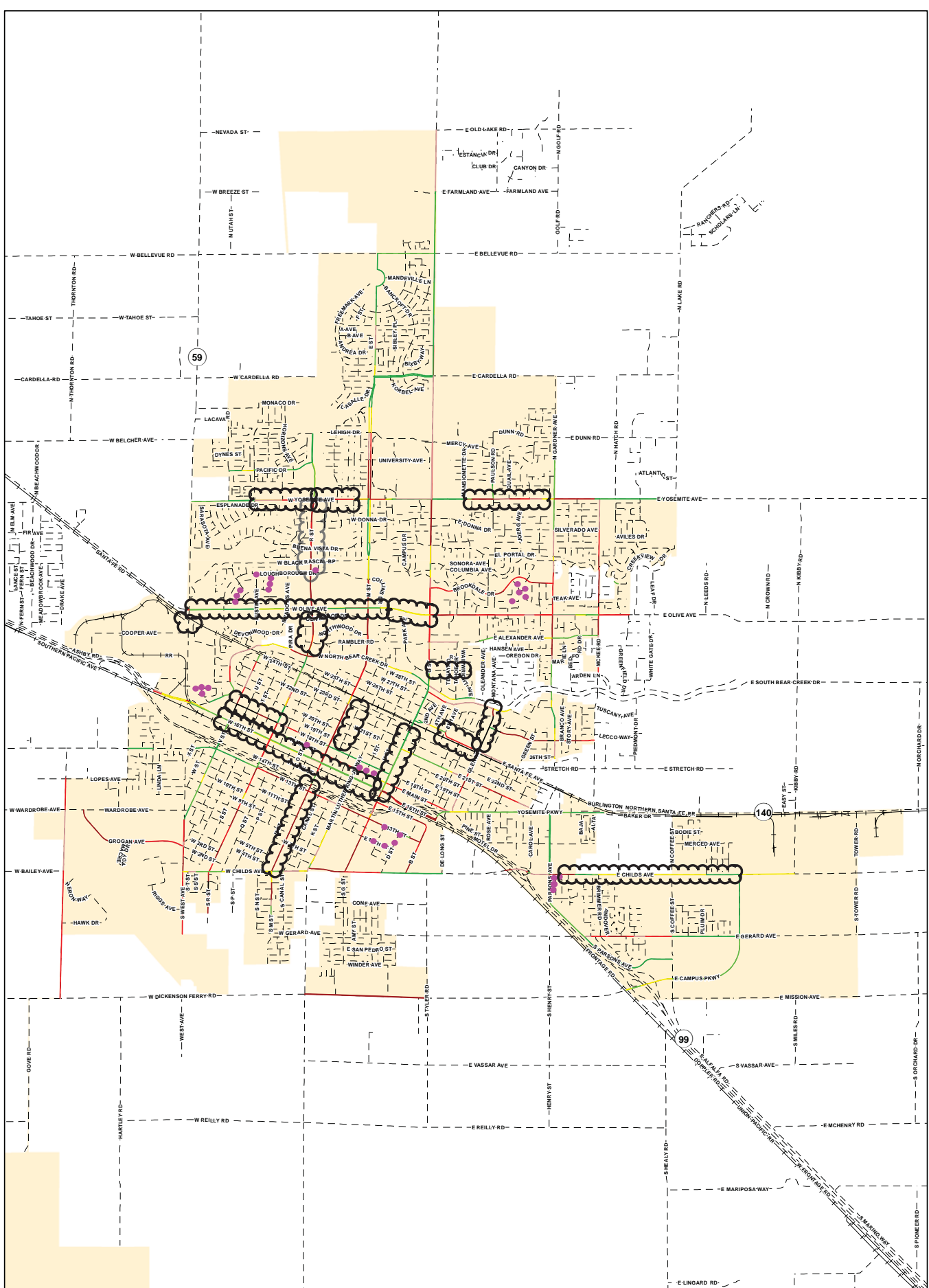
Crack Filling Projects	
Location	Approximate Quantity (Linear ft)
Olive Ave (Hwy 59 to G Street)	10,300
G Street (16th to 22nd)	2,400
16th Street (V St to G St)	7,230
Yosemite (West of R St) w/Deep Patch	3,660

Grind & Overlay Projects	
Location	Approximate Quantity (Linear ft)
Yosemite Ave (Parsons to Mansionette) w/Deep Patch	3,360
M Street (13th to Childs Ave) w/Deep Patch	3,780

Roadway Slurry Seal Projects	
Location	Approximate Quantity (Linear ft)
Canal Street (Childs to 16th St)	4,900
East El Portal Ave (G St to Joerg)	4,000
West 26th Street (G St to M St)	3,000
Merced Ave (Parsons to Motel Dr)	2,900

Road Improvement/Reconstruction Projects	
Location	Approximate Quantity (Linear ft)
18th Street (R St to V St)	1,920
Glen Ave (Santa Fe to Bear Creek)	1,940
R Street (Olive Ave to Northwood Dr)	1,130
26th Street (Glen to 7th)	1,330
Childs Ave (Parsons to Campus Parkway)	6,900

Road Maintenance & Rehabilitation Programs and Material Purchase	
Location	Approximate Quantity
Various Locations throughout City	LS



# City of Merced - Pavement Conditions For Arterial Roadways/Project Locations

**Legend**

- Not An Arterial Roadway
- Good 86-100
- Satisfactory 71-85

- Fair 56-70
- Poor 41-55
- Very Poor 26-40

- Serious 11-25
- Failed 0-10
- City Limits

- Proposed Project Locations
- Proposed Sidewalk/Curb & Gutter Locations

N

00.4250.851.7 Miles

City of Merced

Streets Projects List for  
FY 20/21

Measure C



# Senate Bill 1 (SB-1), Measure V & Measure C

## Senate Bill 1 (SB-1) The Road Repair and Accountability Act

- April 28, 2017, Governor Brown signed the Road Repair and Accountability Act of 2017 (SB-1). SB 1 is a landmark transportation investment to rebuild California by fixing neighborhood streets, freeways and bridges in communities across California and targeting funds toward transit and congested trade and commute corridor improvements.

## Measure V

- Measure V is Merced County's 30-year half-cent transportation sales tax that was passed by voters in November 2016. The measure is estimated to generate \$15 million in new revenue annually and \$450 million over the life of the measure.

## Measure C

- On April 1, 2006, a voter approved half-cent sales tax went into effect. Known as Measure C, the sales tax can be used for increased services in public safety, transportation and other vital municipal improvements.



# Local Project Funding - Potential Uses

- Pothole Repair
- Repaving Streets
- Bridge Repair or Replacement
- Traffic Signals
- Add Additional Lanes to Existing Streets and Roads
- Improve Sidewalks
- Bicycle or Pedestrian Facilities
- Separate Street Traffic from Rail Traffic



## Projected SB 1 & Measure V Funds FY 18/19 to FY20/21

Funding Source	FY 2018/19	FY 2019/20	FY 2020/21	Total
Measure C (Fund 061)	\$ 100,000	\$ 100,000	\$ 125,000	\$ 325,000
SB1 (Fund 076)	\$ 1,498,634	\$ 1,435,854	\$ 1,151,663	\$ 4,086,151
Measure V (Fund 075)	\$ 310,892	\$ 292,146	\$ 262,931	\$ 865,969
Measure V (Fund 078)	\$ 1,243,569	\$ 1,168,584	\$ 1,051,726	\$ 3,463,879
<b>Total =</b>	<b>\$ 3,153,095</b>	<b>\$ 2,996,584</b>	<b>\$ 2,591,320</b>	<b>\$ 8,740,999</b>

## Estimated Roadway Treatment Cost Per Mile

ROADWAY CLASSIFICATION	STREET LENGTH	ESTIMATED AREA (SF)	Roadway Full Re-Construction	Roadway Full Depth Reclamation	Grind & Overlay	Cape Seal	Scrub & Fog Seal
			ITEM TOTAL	ITEM TOTAL	ITEM TOTAL	ITEM TOTAL	ITEM TOTAL
Arterial Street	Mile	337920	\$ 2,200,000.00	\$ 1,689,600.00	\$ 1,352,000.00	\$ 470,000.00	\$ 226,000.00
Collector Street	Mile	232320	\$ 1,100,000.00	\$ 929,280.00	\$ 790,000.00	\$ 323,000.00	\$ 155,000.00
Local Street	Mile	168960	\$ 700,000.00	\$ 609,000.00	\$ 550,000.00	\$ 235,000.00	\$ 113,000.00



# TYPES OF ROAD TREATMENT

## MINOR ROAD TREATMENT

**CRACK SEAL** – INTEND TO SEAL CRACKS ON THE ROAD



**FOG SEAL** –  
REJUEVENATE  
THE OIL IN THE  
ASPHALT



**SLURRY SEAL** –  
WEARING/  
SEALING  
SURFACE

# TYPES OF ROAD TREATMENT

## MINOR ROAD TREATMENT

### CHIP SEAL/ SCRUB SEAL

– EMULSION IS SPRAYED OVER THE ROAD AND “CHIP” (SMALL ROCKS) ARE APPLIED ON TOP OF THE ROAD



CAPE SEAL –  
COMBINATION OF A  
CHIP SEAL AND A  
SLURRY SEAL



# TYPES OF ROAD TREATMENT

## MAJOR ROAD TREATMENT

**GRIND & OVERLAY** –  
PLACEMENT OF NEW  
ASPHALT CONCRETE ON  
TOP OF EXISTING



**FULL DEPTH  
RECLAMATION (FDR)** –  
PULVERIZE IN-PLACE  
ADDITION OF  
LIME/CEMENT

# Proposed SB 1 & Measure V Projects List (FY 20/21)

FY 20-21 Sidewalk Remove & Replace Projects		
Location	Approximate Quantity (Square ft)	Estimated Cost
Loughborough Area (i.e. Denver, Juneau, Austin)	6,000	\$ 228,000
E 11th St, E 13th St, D St	1,315	\$ 49,970
Parsons Avenue	650	\$ 24,700
Main Street (O St. Side)	832	\$ 31,660
Kermland, Nancy, Steven Ct, Shamrock,	4,215	\$ 160,170
Shadowbrook and Bear Creek	3,350	\$ 127,300
Total Estimated Cost:		\$ 621,800

FY 20-21 Curb & Gutter Remove & Replace Projects		
Location	Approximate Quantity (Linear ft)	Estimated Cost
Loughborough Area (i.e. Austin, SW corner)	200	\$ 9,000
SE Corner of Childs and Parsons	220	\$ 9,900
1900 Block Shadowbrook Drive	60	\$ 2,700
Total Estimated Cost:		\$ 21,600

Crack Filling Projects		
Location	Approximate Quantity (Linear ft)	Estimated Cost
Olive Ave - (Hwy 59 to G Street)	10,300	\$ 67,700
G Street - (16th to 22nd)	2,400	\$ 13,000
16th Street - (V St to G St)	7,230	\$ 39,100
Yosemite (West of R St) w/Deep Patch	3,660	\$ 89,800
Total Estimated Cost:		\$ 209,600

Grind & Overlay Projects		
Location	Approximate Quantity (Linear ft)	Estimated Cost
Yosemite Ave (Parsons to Mansionette) w/Deep Patch	3,360	\$ 737,100
M Street (Childs Ave to 8th) w/Deep Patch (Phase 1)	1,840	\$ 603,638
M Street (8th to 13th) w/Deep Patch (Phase 2)	1,940	\$ 650,000
R St. from Buena Vista to Yosemite Ave (Phase 2)	1,900	\$ 400,000
Canal Street from 19 <sup>th</sup> St to 23rd St.	2,000	\$ 2,500,000
Alpine Dr. from G St to Wainwright	1,400	\$ 300,000
Total Estimated Cost:		\$ 5,190,738

Railroad Street Crossing Improvements		
Location	Approximate Quantity (Linear ft)	Estimated Cost
Highway 59 and BNSF Railroad Crossing		\$ 20,000
Glen Ave and BNSF Railroad Crossing		\$ 150,000
Total Estimated Cost:		\$ 170,000

# Proposed SB 1 & Measure V Projects List (FY 20/21)

Road Improvement/Reconstruction Projects		
Location	Approximate Quantity (Linear ft)	Estimated Cost
18th Street ( R St to V St)	1,920	\$ 629,000
R St. from Loughborough to Buena Vista (Phase 1)	1,160	\$ 1,100,000
Glen Ave (Santa Fe to Bear Creek)	1,940	\$ 488,900
R Street ( Olive Ave to Northwood Dr)	1,130	\$ 462,800
26th Street ( Glen to 7th)	1,330	\$ 360,300
Childs Ave (Parsons to Campus Parkway) **	6,900	\$ 492,800
Total Estimated Cost:		\$ 3,533,800

\*\*\* Grant funds needed

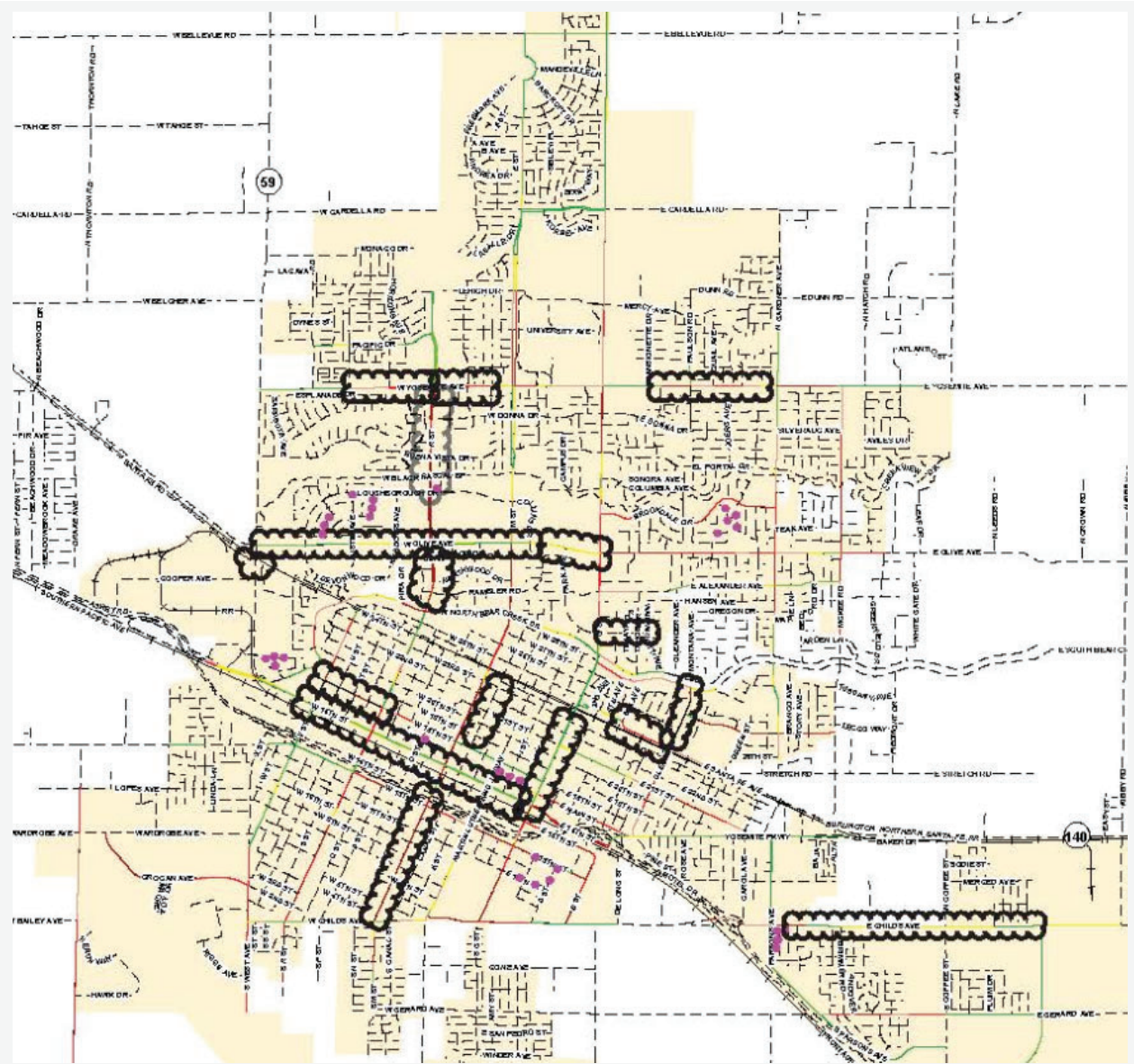
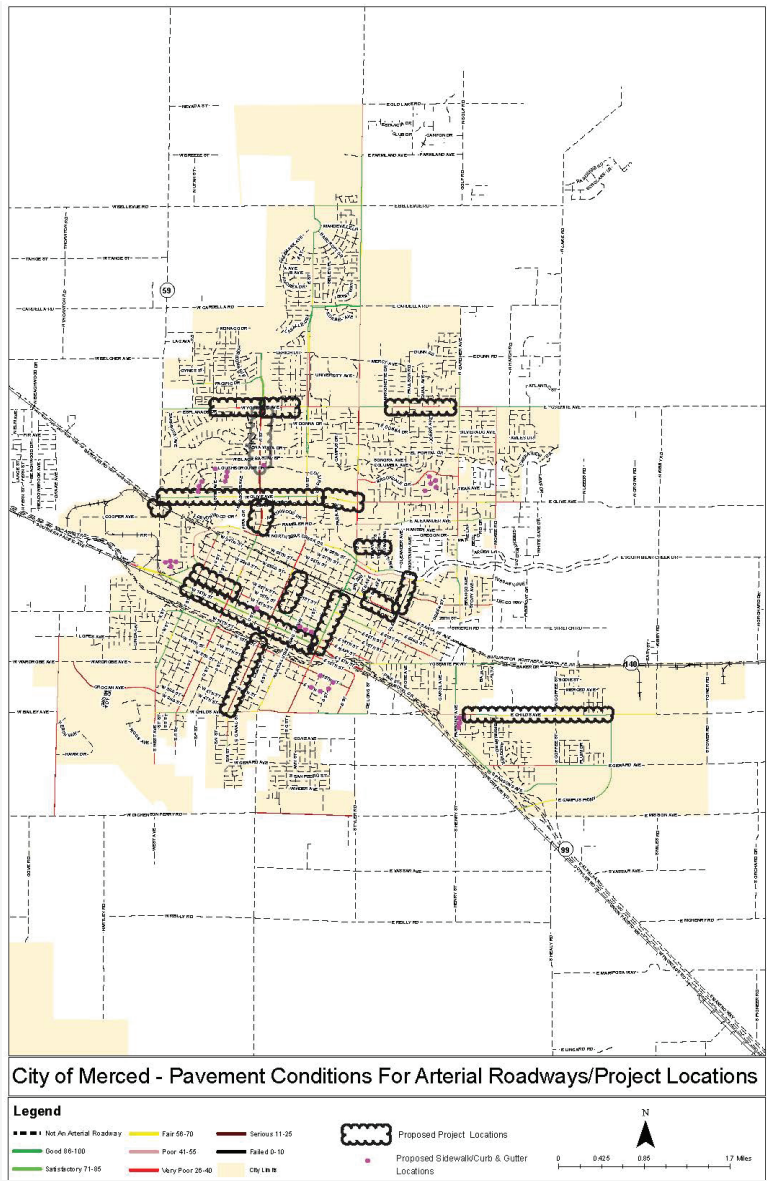
Road Maintenance & Rehabilitation Programs and Material Purchase		
Location	Approximate Quantity	Estimated Cost
Various Locations throughout City (SB 1 )	LS	\$ 523,249
Various Locations throughout City (Measure V)	LS	\$ 523,249
Total Estimated Cost:		\$ 1,046,498

**Total SB 1 Funds FY20/21\*** = \$ 1,151,663  
**Total Measure V Funds FY20/21\*** = \$ 1,314,657  
**Total Funds (SB1 + V)** = \$ 2,466,320

\* Subject to change due to COVID-19

**Measure C – General Road Maintenance ----- \$125,000**





# Proposed SB 1 Projects List (FY 19/20)

## Crack Filling Projects

Location	Approximate Quantity (Linear ft)	Estimated Cost
Olive Ave - (Hwy 59 to G Street)	10,300	\$ 67,700
G Street - (16th to 22nd)	2,400	\$ 13,000
16th Street - (V St to G St)	7,230	\$ 39,100
Yosemite (West of R St) w/Deep Patch	3,660	\$ 89,800
<b>Total Estimated Cost:</b>		<b>\$ 209,600</b>

## Grind & Overlay Projects

Location	Approximate Quantity (Linear ft)	Estimated Cost
Yosemite Ave (Parsons to Mansionette) w/Deep Patch	3,360	\$ 737,100
M Street (13th to Childs Ave) w/Deep Patch	3,780	\$ 535,900
<b>Total Estimated Cost:</b>		<b>\$ 1,273,000</b>

## Roadway Slurry Seal Projects

Location	Approximate Quantity (Linear ft)	Estimated Cost
Canal Street (Childs to 16th St)	4,900	\$ 83,300
East El Portal Ave (G St to Joerg)	4,000	\$ 84,000
West 26th Street (G St to M St)	3,000	\$ 51,000
Merced Ave (Parsons to Motel Dr)	2,900	\$ 52,200
<b>Total Estimated Cost:</b>		<b>\$ 270,500</b>

## Road Improvement/Reconstruction Projects

Location	Approximate Quantity (Linear ft)	Estimated Cost
18th Street ( R St to V St)	1,920	\$ 629,000
Glen Ave (Santa Fe to Bear Creek)	1,940	\$ 488,900
R Street ( Olive Ave to Northwood Dr)	1,130	\$ 462,800
26th Street ( Glen to 7th)	1,330	\$ 360,300
Childs Ave (Parsons to Campus Parkway) **	6,900	\$ 492,800
<b>Total Estimated Cost:</b>		<b>\$ 2,433,800</b>

## Road Maintenance & Rehabilitation Programs and Material Purchase

Location	Approximate Quantity	Estimated Cost
Various Locations throughout City (SB 1 )	LS	\$ 191,735
Various Locations throughout City (Measure V)	LS	\$ 255,000
<b>Total Estimated Cost:</b>		<b>\$ 446,735</b>

\*\* - Propose moving it out to future year

**Total Project Cost = \$ 4,633,635**

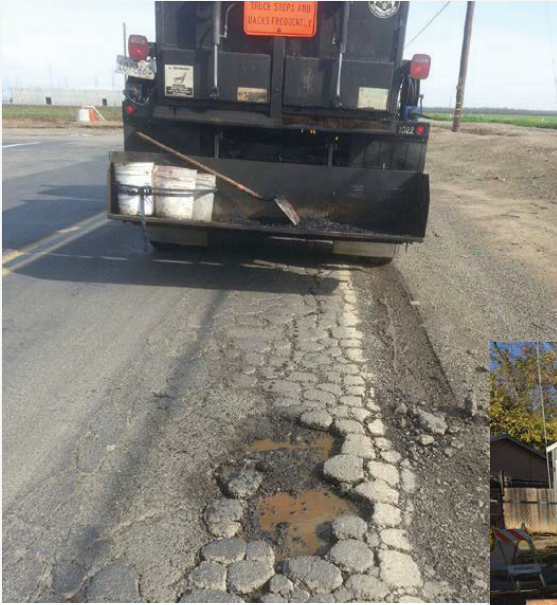
**Total SB 1 Funds FY19/20 = \$ 1,435,854**

**Total Measure V Funds FY19/20 = \$ 1,460,730**

**Total Funds (SB1 + V) = \$ 2,896,584**

**Measure C – General Road Maintenance ----- \$100,000**











# CITY OF MERCED

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

## ADMINISTRATIVE REPORT

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**Agenda Item K.4.**

Meeting Date: 5/18/2020

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*Report Prepared by: Steven S. Carrigan*

**SUBJECT:** Review, Discussion and Direction Regarding the City of Merced Fiscal Year 2020-21 Budget

### **REPORT IN BRIEF**

Review of the City Manager's proposed FY 2020-21 Budget.

### **RECOMMENDATION**

For information and discussion only.

### **AUTHORITY**

Charter of the City of Merced, Section 1104.

### **CITY COUNCIL PRIORITIES**

As provided for by the City Council during priority setting session.

### **DISCUSSION**

The City Council and the Public to be presented the City Manager's proposed FY 2020-21 budget.



# CITY OF MERCED

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

## ADMINISTRATIVE REPORT

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**Agenda Item L.1.**

Meeting Date: 5/18/2020

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**SUBJECT:** Request to Add Item to Future Agenda

### REPORT IN BRIEF

Provides members of the City Council to request that an item be placed on a future City Council agenda for initial consideration by the City Council.



# CITY OF MERCED

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

## ADMINISTRATIVE REPORT

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**Agenda Item L.2.**

Meeting Date: 5/18/2020

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**SUBJECT:** City Council Comments

### REPORT IN BRIEF

Provides an opportunity for the Mayor and/or Council Member(s) to make a brief announcement on any activity(ies) she/he has attended on behalf of the City and to make a brief announcement on future community events and/or activities. The Brown Act does not allow discussion or action by the legislative body under this section.