



CITY OF MERCED

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

Minutes

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

Monday, December 5, 2022

6:00 PM

A. CLOSED SESSION ROLL CALL

Present: 6 - Mayor Matthew Serratto, Mayor Pro Tempore Kevin Blake, Council Member Delray Shelton, Council Member Jesse Ornelas, Council Member Bertha Perez, and Council Member Sarah Boyle

Absent: 1 - Council Member Fernando Echevarria

B. CLOSED SESSION

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

Clerk's Note: Council Member ORNELAS arrived at 5:10 PM.

Clerk's Note: Mayor SERRATTO read the following statement before adjourning to Closed Session. The City Council is meeting with legal counsel in Closed Session regarding anticipated litigation, Agenda Item Number 22-941, based on the following facts and circumstances. Potential Case 1: The owner of 531 W. Main Street threatened litigation against the City during a Council meeting in 2021 regarding his request to vacate what is known as the Arbor Walkway North easement. Potential Case 2: The City received a letter from a Council District 4 candidate on or around November 28, 2022, contesting the certification of the November 8, 2022 election and asking the County of Merced and the City of Merced not to certify the results of the election until certain issues are resolved.

B.1. **SUBJECT:** CONFERENCE WITH LEGAL COUNSEL -- EXISTING LITIGATION Pursuant to Paragraph (1) of Subdivision (d) of Government Code section 54956.9, Name of Case: City of Merced v. John Kudulis dba, Bob's Foreign Auto Parts Merced Superior Court Case No. 21CV-00159

B.2. **SUBJECT:** CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION Significant Exposure to Litigation Pursuant to Paragraph (4) of Subdivision (d) of Government Code Section 54956.9: One (1) Potential Lawsuit

B.3. **SUBJECT:** CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED

LITIGATION Significant Exposure Litigation Pursuant to Paragraph (2) of
Subdivision (d) of Government Code section 54956.9: (2) Potential Cases

Clerk's Note: Council adjourned from Closed Session at 5:29 PM.

C. CALL TO ORDER

Mayor SERRATTO called the Regular Meeting to order at 6:05 PM.

C.1. Invocation - Lamar Henderson, Human Services Agency (All Dads Matter)

The invocation was delivered by Lamar HENDERSON from All Dads Matter.

C.2. Pledge of Allegiance to the Flag

Mayor Pro Tempore BLAKE led the Pledge of Allegiance to the Flag.

D. ROLL CALL

Present: 6 - Mayor Matthew Serratto, Mayor Pro Tempore Kevin Blake, Council Member Delray Shelton, Council Member Jesse Ornelas, Council Member Bertha Perez, and Council Member Sarah Boyle

Absent: 1 - Council Member Fernando Echevarria

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 \$400.00 by Charter for sitting as the City Council; and the Mayor receives an additional \$100.00 each month as a part of the adopted budget and Resolution 2020-86. The members of the Parking Authority and the Public Financing and Economic Development Authority receive no compensation.

E. REPORT OUT OF CLOSED SESSION

There was no report.

F. REORGANIZATION

F.1. **SUBJECT:** City Council Certification of November 8, 2022 General
Municipal Election Returns

REPORT IN BRIEF

Certifies the November 2022 election returns for three City Council Members.

RECOMMENDATION

City Council - Adopt a motion adopting **Resolution 2022-73**, a

Resolution of the City Council of the City of Merced, California, reciting the fact of the General Municipal Election held on November 8, 2020, declaring the result, and declaring such other matters as provided by law for the election of three members of the City Council.

Josh PEDROZO, County Board of Supervisors, Merced - thanked and shared a few words to each outgoing Council Members.

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

Aye: 6 - Mayor Matthew Serratto, Mayor Pro Tempore Kevin Blake, Council Member Delray Shelton, Council Member Jesse Ornelas, Council Member Bertha Perez, and Council Member Sarah Boyle

Absent: 1 - Council Member Fernando Echevarria

F.2. Recognition of Outgoing City Council Members

The remaining sitting Council Members thanked the leaving members for their service and congratulated them on their achievements.

Mayor SERRATTO presented Mayor Pro Tempore BLAKE and Council Member SHELTON with tokens of appreciation for their service on the Council.

F.3. Comments From Outgoing City Council Members

Mayor Pro Tempore BLAKE and Council Member SHELTON gave final comments thanking everyone for their time on the Council.

Mayor SERRATTO thanked outgoing Council Members one last time.

F.4. **SUBJECT: Presentation of Certificates of Election and Oaths of Office Pursuant to the City of Merced Charter Section 612**

REPORT IN BRIEF

The new Council Members will be presented their Certificates of Election and take their Oath of Office pursuant to City of Merced Charter Section 612, before taking their seats at the dais.

Assistant City Clerk Jennifer LEVESQUE presented the oaths of office to newly elected Council Members DEANDA, SMITH, and XIONG.

F.5. Comments From Newly Elected City Council Members

Newly-elected Council Members DEANDA, SMITH, and XIONG all expressed thanks to the voters, the members of their teams and family, and expressed excitement about moving the city forward.

Clerk's Note: Council hosted a reception for the newly-elected Council Members from 6:47 PM to 7:07 PM.

F.6. ROLL CALL

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

Absent: 0

F.7.

SUBJECT: Election of Mayor Pro Tempore

REPORT IN BRIEF

Election of a Mayor Pro Tempore to a one-year term (conducted by the Mayor).

RECOMMENDATION

City Council - Adopt a motion appointing the Mayor's nominee as Mayor Pro Tempore of the City of Merced for a one-year term of office.

Sister Kate, Merced - encouraged Mayor SERRATTO to choose someone who has served, not a new Council Member to serve as Mayor Pro Tempore.

Mayor SERRATTO nominated Council Member Perez to serve as Mayor Pro Tempore.

Council Members spoke on the nomination.

A motion was made by Mayor Serratto, seconded by Council Member Ornelas, to appoint Council Member Perez to serve as Mayor Pro Tempore. The motion carried by the following vote:

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

No: 0

Absent: 0

F.8.

SUBJECT: Resolutions of Commemoration for Outgoing City Council Members

REPORT IN BRIEF

Resolutions of commemoration for outgoing City Council Members Fernando Echevarria, Kevin Blake, and Delray Shelton.

RECOMMENDATION

City Council - Adopt a motion:

A. Adopting **Resolution 2022-74**, Public Service Commemoration, Fernando Echevarria; and,

B. Adopting **Resolution 2022-75**, Public Service Commemoration, Kevin Blake; and,

C. Adopting **Resolution 2022-76**, Public Service Commemoration, Delray Shelton.

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

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

No: 0

Absent: 0

G. WRITTEN PETITIONS AND COMMUNICATIONS

Clerk's Note: Emails were received for the following agenda items and forwarded to Council prior to the meeting.

Item L.1. - Steven DONAHUE and Stacey LAWSON.

H. ORAL COMMUNICATIONS

Glen CAMARDA, Merced - spoke on his photography, his future published book, and thanked citizens of Merced for their support.

Pangcha VANG, Merced - requested an update for the UC Merced Annexation.

Rick WENDLING, Merced - thanked outgoing Council Members for their worked, congratulated newly elected Council Members, and spoke on Merced not being united.

Victoria ESPINOZA, Merced - spoke on Public Records Request and

Citizen's Complaint procedures for the City.

Gloria SANDOVAL, Merced - invited Council and community to the Homeless Memorial, Solstice Celebration and spoke on measures to end homelessness.

Julissa, Merced - congratulated members and thanked Council Member XIONG for highlighting his diverse community and spoke on the Solstice Celebration.

I. CONSENT CALENDAR

Items I.5. Award Bid to T&S Intermodal Maintenance, Inc. DBA T&S West for the Airport Transient Pilot Restroom, Project No. 122026, in the Amount of \$212,679, and I.7. Adopt a Resolution Authorizing Participation in the Merced County, Multijurisdictional Housing Element and Cost Sharing Agreement; were pulled for separate consideration.

Approval of the Consent Agenda

A motion was made to approve the Consent Agenda. The motion carried by the following vote:

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

No: 0

Absent: 0

I.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.

I.2. **SUBJECT: Information-Only Contracts for the Month of November 2022**

REPORT IN BRIEF

Notification of awarded Non-Public Works contracts under \$36,000 and of Public Works contracts under \$82,718.

This Consent Item was approved.

I.3.

SUBJECT: Information Only - Site Plan Review Minutes of October 13, 2022

RECOMMENDATION

For information only.

This Consent Item was approved.

I.4.

SUBJECT: Information Only - Planning Commission Minutes of October 19, 2022

RECOMMENDATION

For information only.

This Consent Item was approved.

I.6.

SUBJECT: Approval of Allocation of U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant Program Resources and Approval of Associated Subrecipient Agreements with Harvest Time and Sierra Saving Grace Homeless Project for the Respective Programs Approved with the Adopted 2022 Annual Action Plan

REPORT IN BRIEF

Considers authorizing the execution of Program Year 2022-23 Community Development Block Grant (CDBG) Subrecipient Agreements with Harvest Time (\$54,442) and Sierra Saving Grace Homeless Project (\$1,568,065).

RECOMMENDATION

City Council - Adopt a Motion:

A. Approving an agreement for the program identified in the 2022 HUD Annual Action Plan using Fiscal Year 2022-23 CDBG funds with Harvest Time in the amount of \$54,442 for the "Food 4 You" Program; and,

B. Approving an agreement for the program identified in the 2022 HUD

Annual Action Plan using Fiscal Year 2022-23 CDBG funds with Sierra Saving Grace Homeless Project in the amount of \$1,568,065 for the "Supportive Housing Project" Program; and,

C. Authorizing the City Manager or the Deputy City Manager to execute, and if necessary, direct staff to make minor modifications to the agreements described above and as attached, and all associated documents and exhibits; and,

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

This Consent Item was approved.

I.8.

SUBJECT: Approval of Amendment in the Amount of \$21,624 with Tyler Technologies for a One-Time Cost for Professional Services to Migrate our Existing Servers to New Servers for a Total Contracted Amount of \$899,367.91

REPORT IN BRIEF

Approve an amendment in the amount of \$21,624 to the City's existing agreement with Tyler Technologies for Professional Services to migrate our existing server data to our new servers for a total contracted amount of \$899,367.91.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving an Amendment to the original contract with Tyler Technologies in the amount of \$21,624 for Professional Services to migrate data from old servers to new ones; and,

B. Authorizing the City Manager or the Deputy City Manager to execute any necessary contracts or documents needed related to this report.

This Consent Item was approved.

I.9.

SUBJECT: Approval of Memorandum of Understanding (MOU) Between the City of Merced and the State of California for a Cooperative Agreement with the United States Forest Service (USFS) for Federal Excess Personal Property (FEPP)

REPORT IN BRIEF

Considers approving the Memorandum of Understanding (MOU) between the City of Merced and the State of California acting by and through the Department of Forestry and Fire Protection (*CAL FIRE*) as an agent of the USFS. The items available to the City of Merced are to be used for supporting the city's fire protection of the community for wildland fire hazards and incidents. The Federal Excess Personal Property (FEPP) program is administered within the State of California by CAL FIRE and the City of Merced and the Fire Department have been sponsored by the local Ranger Unit Chief, Mike Van Loben Sels. Items available are equipment, vehicles, and supplies to support the local community's wildland fire protection needs.

RECOMMENDATION

City Council - Adopt a motion:

A. Adopting MOU between City of Merced and CAL FIRE for FEPP; and,

B. Adopting **Resolution 2022-67**, a Resolution of the City Council of the City of Merced, California, authorizing application for Federal Excess Personal Property (FEPP) program in Accordance with United States Forest Service Cooperative Forestry Assistance Act (CFAA) of 1978; and,

C. Authorizing the City Manager or the Deputy City Manager to execute any necessary documents.

This Consent Item was approved.

I.10.

SUBJECT: Approval of Memorandum of Understanding (MOU) Between the City of Merced and the State of California for a Cooperative Agreement with the Department of Defense (DoD) for Firefighter Property (FFP) Program

REPORT IN BRIEF

Considers approving the Memorandum of Understanding (MOU) between the City of Merced and the State of California acting by and through the Department of Forestry and Fire Protection (*CAL FIRE*) as an agent of the DoD. The items available to the City of Merced are to be used for supporting the city's fire protection, emergency medical, hazardous materials, and other All-Risk hazards. The Firefighter Property (FFP) program is administered within the State of California by CAL FIRE and the City of Merced and the Fire Department have been sponsored by the local Ranger Unit Chief, Mike Van Loben Sels.

Items available are equipment, vehicles, and supplies to support the local community's All-Risk hazard needs.

RECOMMENDATION

City Council - Adopt a motion:

A. Adopting MOU between City of Merced and *CAL FIRE* for Firefighter Property; and,

B. Adopting **Resolution 2022-65**, a Resolution of the City Council of the City of Merced, California, authorizing application for Firefighter Property (FFP) program in accordance under Title 10 United States Code 2576b; and,

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

This Consent Item was approved.

I.11.

SUBJECT: Second Reading and Final Adoption of Ordinances Adopting Title 24, Parts 1-12 of the California Code of Regulation as the 2022 California Building and Fire Codes, and Local Amendments, for the City of Merced

REPORT IN BRIEF

Second reading and final adoption of Ordinances adopting Title 24, Parts 1-12 of the California Code of Regulations, referred to as the California Building Code, as the referenced Building and Fire Codes for the City of Merced.

RECOMMENDATION

City Council - Adopt a motion:

A. Adopting **Ordinance 2545**, an Ordinance of the City Council of the City of Merced, California, Amending Chapter 17.04, "Building Code," Sections 17.04.010, 17.05.010, 17.06.010, 17.07.010, 17.09.010, 17.10.010, 17.12.010, 17.20.010, 17.24.010, 17.28.020, and 17.34.010 of the Merced Municipal Code to Adopt by Reference the California Building Code, California Administrative Code, California Electrical Code, California Mechanical Code, and California Plumbing Code; and,

B. Adopting **Ordinance 2544**, an Ordinance of the City Council of the City of Merced, California, Amending Chapter 17.32, "Fire Prevention

Code,” of the Merced Municipal Code.

This Consent Item was approved.

I.5.

SUBJECT: Award Bid to T&S Intermodal Maintenance, Inc. DBA T&S West for the Airport Transient Pilot Restroom, Project No. 122026, in the Amount of \$212,679

REPORT IN BRIEF

Considers awarding a Construction Contract to T&S Intermodal Maintenance, Inc. DBA T&S West in the amount of \$212,679 for the Airport Transient Pilot Restroom Project at the Merced - Yosemite Regional Airport.

RECOMMENDATION

City Council - Adopt a motion:

A. Awarding the Airport Transient Pilot Restroom, Project No. 122026 to T&S Intermodal Maintenance, Inc. DBA T&S West in the amount of \$212,679; and,

B. Approving transferring funds in the amount of \$145,000 from Fund 448-Airport Industrial Park to Fund 461-Airport CIP and appropriating the same in account 448-2003-647-65-00 to Project 122026-Transient Pilot Restroom; and,

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

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

Mayor SERRATTO pulled this item at the request of Council Member XIONG.

Council Member XIONG spoke on Project Labor Agreement and hiring locally.

There was no Council discussion.

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

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

No: 0

Absent: 0

I.7.

SUBJECT: Adoption of a Resolution Authorizing Participation in the Merced County, Multijurisdictional Housing Element and Cost Sharing Agreement

REPORT IN BRIEF

Authorizes the participation in the Multijurisdictional Housing Element (MJHE) with agencies in Merced County and approving a Cost Sharing Agreement. Total cost of the Multijurisdictional Housing Element is \$1,030,743 with the City's portion being \$132,267.

RECOMMENDATION

City Council - Adopt a motion:

A. Adopting **Resolution 2022-72**, a Resolution of the City Council of the City of Merced, California, hereby authorizing participation in the Merced County Multijurisdictional Housing Element and Cost Sharing Agreement; and,

B. Authorizing the City Manager or Deputy City Manager to execute any related documents necessary to participate in the MJHE.

Mayor SERRATTO pulled this item due to a request from the public.

Sheng XIONG, Merced - asked Council to ensure this program is inclusive to different languages in the community.

There was no Council discussion.

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

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

No: 0

Absent: 0

J. PUBLIC HEARINGS

J.1. **SUBJECT:** Public Hearing and Adoption of Resolution to Vacate the Eastern Portion of the Arbor Walkway North Easement (Approximately 2,053 Square Feet) Which Would Revert Development Rights Back to the Property Owner of 531 W. Main Street, Merced, Generally Located on the North Side of Main Street, Approximately 150 Feet East of M Street

REPORT IN BRIEF

Considers the vacation of the eastern portion of the Arbor Walkway North easement (approximately 2,053 square feet) which would revert development rights back to the property owner of 531 W. Main Street.

RECOMMENDATION

City Council - Adopt a motion adopting **Resolution 2022-71**, a Resolution of the City Council of the City of Merced, California, ordering the vacation of an eastern portion of the Arbor Walkway North easement (approximately 2,053 square feet) which would revert development rights back to the property owner of 531 W. Main Street (Vacation #22-03).

Clerk's Note: Council Member ORNELAS recused himself due to the proximity of his workplace.

Associate Planner Francisco MENDOZA-GONZALEZ gave a presentation on Vacation #22-03 to vacate the eastern portion of Arbor Walkway North and briefly discussed the process.

Mayor SERRATTO opened the Public Hearing at 7:40 PM and subsequently closed the Public Hearing at 7:40 PM due to a lack of public comment.

Council, Mr. MENDOZA-GONZALEZ, and City Manager Stephanie DIETZ discussed the dimensions of the walkway and timeline on construction.

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

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

No: 0

Absent: 0

Abstain: 1 - Council Member Ornelas

K. REPORTS

K.1. **SUBJECT:** Provide Staff Direction on the Award of a Professional Services Agreement with GVP Ventures, Inc. for Conducting Executive Recruitment Services to Include the Community Engagement Services (\$10,000), Police Chief Recruitment (\$27,000), City Attorney Recruitment (\$32,000), and Additional Management Recruitments (\$25,000) for an Amount not to Exceed \$94,000 and Approval of a Supplemental Appropriation in the General Fund in the Amount not to Exceed \$94,000

REPORT IN BRIEF

Considers awarding a contract and approving a Professional Services Agreement with the recruitment firm GVP Ventures, Inc (formerly Bob Murray and Associates) for the not to exceed amount of \$94,000. Recruitment services would be provided for Police Chief, and based on City Council direction, Community Engagement, City Attorney and other management positions.

RECOMMENDATION

City Council - Adopt a motion:

A. Awarding a Professional Services contract for executive recruitment services to GVP Ventures, Inc (formerly Bob Murray and Associates) in an amount not to exceed \$27,000; and,

B. Approving a supplemental appropriation in the amount of up to \$27,000 from the General Fund unreserved, unencumbered fund balance, transferring to Fund 672-Support Services and appropriating the same in the Personnel Professional Services account line to cover the Police Chief recruitment cost; and,

C. Approving a supplemental appropriation in the amount of up to \$32,000 from the General Fund unreserved, unencumbered fund balance, transferring to Fund 672-Support Services and appropriating the same in the Personnel Professional Services account line to cover future City Attorney and other executive recruitment costs; and,

D. Approving a supplemental appropriation in the amount of up to \$25,000 from the General Fund unreserved, unencumbered fund balance, transferring to Fund 672-Support Services and appropriating the same in

the Personnel Professional Services account line to cover other executive recruitment costs; and,

E. Approving a supplemental appropriation in the amount of up to \$10,000 from the General Fund unreserved, unencumbered fund balance, transferring to Fund 672-Support Services and appropriating the same in the Personnel Professional Services account line to cover optional services for said recruitments; and,

F. Authorizing the Finance Officer to make the necessary budget adjustments for future recruitment of City Attorney for a not exceed amount of \$32,000, other executive recruitment of not to exceed \$25,000, and optional services for said recruitment(s) not to exceed \$10,000; and,

G. Authorizing the City Manager or Deputy City Manager to execute the Agreement for Professional Services; and,

Deputy City Manager Frank QUINTERO gave a presentation on the GVP Professional Services for Police Chief recruitment and other vacancies and explained the process.

Council, Mr. QUINTERO, City Manager Stephanie DIETZ, and Applicant Valerie GAETA, GVP Ventures, discussed the firms experience and familiarity of police chief recruitment, funds required, community outreach, and policy consideration for the hiring of City Attorney.

Rick WENDLING, Merced - volunteered himself to assist on outreach for police chief.

Victoria ESPINOZA, Merced - commented on recruitment process with Chief ANDRADE, and suggested Council having more public comment.

Council. Mr. QUINTERO, and Mrs. DIETZ spoke on more public engagement, requested itemized funds, participation of Council, timeline, the need of employment positions in the City, and requested to postpone further recruitments.

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

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

No: 0

Absent: 0

K.2. **SUBJECT: City of Merced Financial Forecast, CalPERS, and Sewer Rate Update**

REPORT IN BRIEF

Presentation of the Financial Forecast, CalPERS, and Sewer Rate Update.

RECOMMENDATION

City Council - Adopt a motion adopting **Resolution 2022-77**, A Resolution of the City Council of the City of Merced, California continuing the base sewer service rates and charges unchanged.

Finance Officer Venus RODRIGUEZ and City Manager Stephanie DIETZ gave a presentation of the City's financial forecast, economic factors, CALPERS update, and sewer rate updates.

Council, Mrs. RODRIGUEZ, and Mrs. DIETZ discussed the funds in reserves account and fund allocations.

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

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

No: 0

Absent: 0

K.3. **SUBJECT: Introduction of the Public Participation Process for U.S. Department of Housing and Urban Development (HUD) Grant Programs and Annual Plan Process**

REPORT IN BRIEF

Staff to provide a report on the public participation opportunities, as well as the HUD grant programs received by the City of Merced and the HUD Annual Plan Process.

RECOMMENDATION

Information Only.

Housing Program Supervisor Kim NUTT gave a presentation on public participation process for U.S. Department of Housing and Urban Development grant programs and annual plan process.

Council, Ms. NUTT, Development Services Director Scott MCBRIDE discussed potential deadline, community outreach measures, and languages covered for community.

Clerk's Note: No formal Council action or vote was taken, item was information only.

L. BUSINESS

L.1.

SUBJECT: Direction to Staff Regarding Advanced Air's Request to Change Southern California Flight Service from Los Angeles International Airport to Hawthorne Municipal Airport

REPORT IN BRIEF

Advanced Air's CEO Levi Stockton submitted a letter requesting that the City of Merced consider allowing the airline to transfer its Southern California flight from Los Angeles International Airport (LAX) to Hawthorne Municipal Airport (HHR).

RECOMMENDATION

City Council - Adopt a motion providing staff direction regarding Advanced Air's request to change flight service from Los Angeles International Airport to Hawthorne Municipal Airport.

Deputy City Manager Frank QUINTERO introduced Advanced Air's request to change Southern California flight services from Los Angeles International Airport to Hawthorne Municipal Airport.

Clerk's Note: The following comment was received via voicemail.

Steven DONAHUE, Merced - spoke in opposition of changing flight services to Hawthorne Municipal Airport.

Clerk's Note: The following comment was made in-person.

Applicant Donny SANDUSKY, Merced - gave a detailed introduction to Advanced Air's request and Hawthorne Municipal Airport's measures to assist passengers.

Council, Mr. SANDUSKY, and Mr. QUINTERO discussed flight locations, security measures for passenger safety, final contract with Department of Transportation, transportation available from Hawthorne to LAX, TSA availability in Hawthorne, decrease of ticket prices, incentives for flying to

Hawthorne, next steps for Council, previous issues with security, and presentation given by Advanced Air.

A motion was made by Mayor Serratto, seconded by Council Member Boyle, to support this Agenda Item. The motion carried by the following vote:

Aye: 3 - Mayor Serratto, Council Member Boyle, and Council Member DeAnda

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

Absent: 0

A motion was made by Council Member Smith, seconded by Council Member Boyle, to bring this request back in 30-60 days with more information on security measures. The motion carried by the following vote:

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

No: 0

Absent: 0

L.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.

Council Member ORNELAS requested for staff to give direction to install a gate at Joe Herb Park, staff to develop policy on frequency of law enforcement presence at hotels and motels, and for Public Works to give reports to Parks and Recreation Commission in regards to labor in parks.

Mayor SERRATTO requested to direct Arts and Culture Advisory Commission to create various arts districts.

L.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 BOYLE commented on attending the Christmas Parade.

Council Member SMITH thanked everyone for the warm welcome and asked to meet city staff.

Council Member PEREZ welcomed everyone to the dias.

Council Member XIONG thanked everyone and spoke on the upcoming Hmong New Year Celebration.

Council Member ORNELAS welcomed new Council Members and spoke on the Winter Solstice event.

Council Member DEANDA thanked everyone and commented on being honored by SkyHawk and attended the Christmas Tree lighting in the Merced Courthouse.

Mayor SERRATTO welcomed new Council Members and spoke on Clean-Up day at the Rossoti Center, Mini Pow Wow event, and Thanksgiving Event at the American Legion.

M. ADJOURNMENT

Clerk's Note: The Regular Meeting was adjourned at 10:01 PM.

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

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

No: 0

Absent: 0

By:

From:

Alejandra Medina
Deputy City Clerk

Matthew Serratto
Mayor