



CITY OF MERCED

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

Minutes

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

Monday, December 4, 2017

6:00 PM

A. CLOSED SESSION ROLL CALL

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

Absent: 0

B. CLOSED SESSION

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

B.1.

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

B.2.

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

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

C. CALL TO ORDER

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

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

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

C.2. Pledge of Allegiance to the Flag

Council Member SERRATTO led the Pledge of Allegiance.

D. ROLL CALL

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

Absent: 0

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

E. REPORT OUT OF CLOSED SESSION

There was no report out of Closed Session.

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

F. CEREMONIAL MATTERS

F.1. SUBJECT: Proclamation - Homeless Memorial Day

REPORT IN BRIEF

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

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

G. SPECIAL PRESENTATIONS

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

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

H. WRITTEN PETITIONS AND COMMUNICATIONS

There were none.

I. ORAL COMMUNICATIONS

Frank PERRY, Merced - spoke about his damaged truck.

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

J. CONSENT CALENDAR

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

Approval of the Consent Agenda

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

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

No: 0

Absent: 0

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

REPORT IN BRIEF

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

RECOMMENDATION

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

This Consent Item was approved.

J.2. **SUBJECT:** Information-Only Contracts

REPORT IN BRIEF

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

AUTHORITY

Pursuant to the authority delegated to the City Manager on behalf of the City by Article XI, Section 1109, of the Merced City Charter to execute Public Works contracts under the adjusted FY 2017-2018 threshold of \$67,779.00, and Chapter 3.04.080 - 3.04.110 of the Merced Municipal Code to execute Non-Public Works contracts under the adjusted FY

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

This Consent Item was approved.

J.3.

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

RECOMMENDATION

For information only.

This Consent Item was approved.

J.4.

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

RECOMMENDATION

For information only.

This Consent Item was approved.

J.5.

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

REPORT IN BRIEF

Official adoption of previously held meeting minutes.

RECOMMENDATION

City Council/Public Financing and Economic

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

This Consent Item was approved.

J.6.

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

REPORT IN BRIEF

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

RECOMMENDATION

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

This Consent Item was approved.

J.7.

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

REPORT IN BRIEF

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

RECOMMENDATION

City Council - Adopt a motion:

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

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

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

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

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

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

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

This Consent Item was approved.

J.8.

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

REPORT IN BRIEF

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

RECOMMENDATION

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

Ordinance of the City Council of the City of Merced, California,
Amending Section 10.28.230, "No Parking Zones," of the Merced
Municipal Code.

This Consent Item was approved.

J.9.

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

REPORT IN BRIEF

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

RECOMMENDATION

City Council - Adopt a motion:

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

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

This Consent Item was approved.

J.10.

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

REPORT IN BRIEF

Second reading of previously introduced ordinance.

RECOMMENDATION

City Council - Adopt a motion adopting **Ordinance No. 2480** An
Ordinance of the City Council of the City of Merced, California,
Replacing 20.44.170 ("Medical Marijuana and Cultivation"); Amending
Section 20.10.020 and Table 20.10-1 ("Commercial Zoning Districts"),
and Amending Section 20.12.020 and Table 20.12-1 ("Industrial Zoning
Districts") of the Merced Municipal Code; and Adding Land Use Table
20.44-1 to Regulate All Commercial Cannabis Activities and Cultivation

for Personal Use in the City of Merced.

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

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

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

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

Rosie RUPPEL, Ripon - gave Council recommendations.

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

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

Council Member PEDROZO stated his support for the Ordinance.

Council Member MARTINEZ stated his support for the Ordinance.

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

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

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

No: 2 - Council Member Belluomini, and Mayor Murphy

Absent: 0

K. PUBLIC HEARINGS

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

REPORT IN BRIEF

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

RECOMMENDATION

City Council - Complete the following items in order:

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

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

C. Hold Election; and,

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

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

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

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

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

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

No: 0

Absent: 0

L. REPORTS

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

Use of the McNamara Park Youth Center

REPORT IN BRIEF

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

RECOMMENDATION

Provide staff with policy direction regarding the McNamara Youth Center.

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

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

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

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

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

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

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

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

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

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

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

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

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

develop a plan to support both programs.

L.2.

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

REPORT IN BRIEF

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

RECOMMENDATION

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

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

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

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

No: 0

Absent: 0

L.3.

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

REPORT IN BRIEF

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

RECOMMENDATION

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

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

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

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

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

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

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

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

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

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

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

M. BUSINESS

M.1. Request to Add Item to Future Agenda

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

M.2. City Council Comments

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

Council Member PEDROZO reported on attending the Christmas Parade

and the Townsend Public Affairs meeting.

Council Member MARTINEZ reported on attending the Christmas Parade.

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

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

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

N. ADJOURNMENT

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

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

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

No: 0

Absent: 0