



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, October 1, 2018

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 5:30 PM.

B.1.

SUBJECT: PUBLIC EMPLOYMENT - Title: City Attorney; Authority: Government Code Section 54957

Clerk's Note: Council adjourned from Closed Session at 5:52 PM.

C. CALL TO ORDER

Mayor Murphy called the Regular Meeting to order at 6:03 PM.

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

The invocation was delivered by Lamar HENDERSON from the Human Services Agency (All Dads Matter).

C.2. Pledge of Allegiance to the Flag

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

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

Mayor MURPHY reported that the Council unanimously voted to appoint Phaedra NORTON as the new City Attorney. He also requested to move Item M.1. Approval of Employment Agreement with City Attorney for approval.

M.1. SUBJECT: Approval of Employment Agreement with City Attorney

REPORT IN BRIEF

It is requested that the City Council consider hiring a permanent City Attorney.

RECOMMENDATION

City Council - Adopt a motion:

- A. Approving the Employment Agreement and announcing the new City Attorney; and,
- B. Authorizing the Mayor to sign on behalf of the City; and,
- C. Authorizing the Finance Officer to make the necessary budget adjustments.

A motion was made by Council Member Pedrozo, seconded by Council Member Blake, 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

F. CEREMONIAL MATTERS

F.1. SUBJECT: Proclamation - Domestic Violence Awareness Month

REPORT IN BRIEF

Received by a representative of the Valley Crisis Center.

Mayor MURPHY presented the Domestic Violence Awareness Month Proclamation to Che YANG from the Valley Crisis Center.

F.2. SUBJECT: Proclamation - Fire Prevention Month

REPORT IN BRIEF

Accepted by a representative of the Merced Fire Department.

Mayor MURPHY presented the Fire Prevention Month Proclamation to City of Merced Fire Chief Michael WILKINSON.

F.3. SUBJECT: Proclamation - Breast Cancer Awareness Month

REPORT IN BRIEF

Accepted by a representative from the Merced Fire Department.

Mayor MURPHY presented the Breast Cancer Awareness Month Proclamation to Fire Captain Morgan MADRUGA.

F.4. SUBJECT: Proclamation - Code Enforcement Officer Appreciation Week

REPORT IN BRIEF

Received by the City of Merced Code Enforcement Officers.

Mayor MURPHY presented the Code Enforcement Officer Appreciation Week Proclamation to Code Enforcement Officers Kenneth BOGLE and Ruby SANTIAGO.

F.5. SUBJECT: Proclamation - Merced Pride Weekend

REPORT IN BRIEF

Received by a representative of the Merced LGBTQ+ Alliance.

Mayor MURPHY presented the Merced Pride Weekend Proclamation to members of the LGBTQ+ community.

G. SPECIAL PRESENTATIONS

G.1. Youth Council Presentation

Members of the Youth Council gave a slide show presentation updating

Council on the Merced Youth Council activities.

Council Member PEDROZO and Council Member MARTINEZ
congratulated the Youth Council for their hard work and dedication.

G.2. LAFCO - Agriculture Preservation Presentation

LAFCo Representative Bill NICHOLSON and Senior Policy and Planning
Manager Serena UNGER gave a slide show presentation on Agricultural
Preservation.

Council Member BELLUOMINI and Mr. NICHOLSON discussed the
Agriculture Mitigation that the City of Awater imposed.

H. WRITTEN PETITIONS AND COMMUNICATIONS

There were none.

I. ORAL COMMUNICATIONS

Ricardo AGUILERA, Merced - spoke on the Merced Indoor Soccer Sports
Center.

Hope MEZA, Merced - spoke on the Merced Indoor Soccer Sports Center.

Karen ANN, Merced - spoke on the Merced Indoor Soccer Sports Center
and various topics.

Rodrigo ESPINOZA, Merced - spoke on the Merced Indoor Soccer Sports
Center.

Carmen PONCE, Merced - spoke on the Merced Indoor Soccer Sports
Center.

Monica VILLA, Merced - spoke on the Merced Indoor Soccer Sports
Center and various topics.

Dr. Sima ASADI, Merced - spoke on the Merced Indoor Soccer Sports
Center.

David ROWE, Merced - spoke on the need to repair Davonport Park and
the importance of recreation in the community.

J. CONSENT CALENDAR

Items J.6. Measure V Regional Project Funding Agreement with the
Merced County Association of Governments, J.8. Allocation of Fiscal Year

2018/19 Community Development Block Grant (CDBG) and HOME Investment Partnership Program (HOME) to Fund Sub-Recipient Agreements with Restore Merced for Neighborhood Clean-Up Program (\$60,000), Sierra Saving Grace for the Homeless Project (\$465,000), Merced Rescue Mission for the Hope for Families Project Program (\$250,000) and County of Merced for the Continuum of Care Program; and First Technical Amendment to the 2018 Department of Housing and Urban Development Annual Action Plan, J.9. Agreement to Negotiate Exclusively with the Richman Group of California, LLC for the Childs and B Street Affordable Housing, and J.11. Street Closure Request - 2018 Central California Band Review; were 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 \$31,000 and of Public Works contracts under \$69,833.

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 2018-2019 threshold of \$69,833.00, and Chapter 3.04.080 - 3.04.110 of the Merced Municipal Code to execute Non-Public Works contracts under the adjusted FY 2018-2019 threshold of \$31,000.00, the contracts listed on the attached table were entered into by the City.

This Consent Item was approved.

J.3. **SUBJECT:** Information Only-Site Plan Review Minutes of August 2, 2018

RECOMMENDATION

For information only.

This Consent Item was approved.

J.4. **SUBJECT:** Information Only - Planning Commission Minutes of August 22, 2018

RECOMMENDATION

For information only.

This Consent Item was approved.

J.5. **SUBJECT:** City Council/Public Financing and Economic Development/Parking Authority Meeting Minutes of September 4, 2018

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 September 4, 2018.

This Consent Item was approved.

J.7. **SUBJECT:** Vacation #18-02 - Setting a Public Hearing to Vacate a 5.88-Acre Park Site Generally Located at the Southwest Corner of M Street and Arrow Wood Drive

REPORT IN BRIEF

Set a public hearing for November 5, 2018, to vacate a 5.88-acre park site generally located at the southwest corner of M Street and Arrow Wood Drive.

RECOMMENDATION

City Council - Adopt a motion adopting **Resolution 2018-64**, a Resolution of the City Council of the City of Merced, California, declaring its intention to vacate an approximately 5.88 acre park site generally located at the southwest corner of M Street and Arrow Wood Drive (extended) (Vacation #18-02) and setting time and place for Public Hearing.

This Consent Item was approved.

J.10.

SUBJECT: Approval of a Five-Year Agreement with Environmental Compliance Resources for Graffiti Abatement Services

REPORT IN BRIEF

Considers approving a five (5) year agreement for graffiti abatement services between the City of Merced and Environmental Compliance Resources for \$189,500 for the first year with 1.8% increases for each subsequent year.

RECOMMENDATION

City Council - Adopt a motion approving a five-year agreement for graffiti abatement services with Environmental Compliance Resources and authorizing the City Manager or Assistant City Manager to execute all the necessary documents.

This Consent Item was approved.

J.6.

SUBJECT: Measure V Regional Project Funding Agreement with the Merced County Association of Governments

REPORT IN BRIEF

Consider approving the Measure V Regional Project Funding Agreement template to be executed in the future for projects approved by the Measure V Eastside Regional Projects Committee and Merced County Association of Governments (MCAG) Governing Board.

RECOMMENDATION

City Council - Adopt a motion:

- A. Approving the Measure V Regional Project Funding Agreement with Merced County Association of Governments; and,
- B. Authorizing the increase of revenue and appropriating the same of all future Regional Project funding and authorizing the Finance Officer to make the appropriate budget adjustments; and,
- C. Authorizing the City Manager or Assistant City Manager to execute the necessary documents.

Council Member BELLUOMINI pulled this item to highlight the project. He discussed how this project coincides with the Highway 59 and Santa Fe project.

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

J.8.

SUBJECT: Allocation of Fiscal Year 2018/19 Community Development Block Grant (CDBG) and HOME Investment Partnership Program (HOME) to Fund Sub-Recipient Agreements with Restore Merced for Neighborhood Clean-Up Program (\$60,000), Sierra Saving Grace for the Homeless Project (\$465,000), Merced Rescue Mission for the Hope for Families Project Program (\$250,000) and County of Merced for the Continuum of Care Program; and First Technical Amendment to the 2018 Department of Housing and Urban Development Annual Action Plan

REPORT IN BRIEF

Authorizes execution of Community Development Block Grant and HOME Investment Partnership Program Sub-Grantee Agreements with Restore Merced for Neighborhood Clean-Up Program in the amount of \$60,000, Sierra Saving Grace for the Homeless Project in the amount of \$465,000, Merced Rescue Mission for the Hope for Families Project Program in the amount of \$250,000 and Continuum of Care Program in the amount of \$38,000.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving agreements identified in the 2018 Department of Housing and Urban Development (HUD) Annual Plan with Community Development Block Grant (CDBG) funds from the 2018/19 Fiscal Year (Accounts 018-1301-552-17.00 / Professional Services, 018-1301-552-29.00 / Supplies and Services, and 033-1349-552-29.00 / Supplies and Services, per previous City Council recommendation for:

1. An agreement with Restore Merced for Neighborhood Clean-Up Program in the amount of \$60,000; and,
2. An agreement with Sierra Saving Grace for the Homeless Project in the amount of \$465,000; and,
3. An agreement with Merced Rescue Mission for the Hope for Families Project Program in the amount of \$250,000; and,
4. An agreement with County of Merced for the Continuum of Care Program in the amount of \$38,000; and,

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; and,

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

Mayor MURPHY pulled this item to give the representatives from Restore Merced an opportunity to speak about their program.

Matt ST. PIERRE and Caleb MEDEFIND from Restore Merced spoke on their program and scope of work.

Gloria SANDOVAL, Merced - spoke on her concern for the homeless being left out of the program.

Monica VILLA, Merced - asked if participants are paid for their work and the process to be a part of the program.

A motion was made by Council Member Pedrozo, seconded by Council Member Blake, 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

J.9.

SUBJECT: Agreement to Negotiate Exclusively with the Richman Group of California, LLC for the Childs and B Street Affordable Housing Development

REPORT IN BRIEF

Approves the exclusive negotiating agreement with the Richman Group of California, LLC for the eventual development of an affordable housing project at Childs Avenue and B Street.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving the exclusive negotiating agreement between the City of Merced and the Richman Group of California, LLC; and,

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; and,

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

Council Member BELLUOMINI pulled this item to ask about a timeline for construction.

Housing Supervisor Mark HAMILTON explained the funding process and the variables that lead up to construction.

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

J.11.

SUBJECT: Street Closure Request- 2018 Central California Band Review

REPORT IN BRIEF

Consider allowing street closures on November 10, 2018, for portions of Parsons Avenue, Dinkey Creek, Watertown Drive, and East Childs Avenue to facilitate the Central California Band Review.

RECOMMENDATION

City Council - Adopt a motion approving the street closures of Parsons Avenue, from Merced Avenue to Dinkey Creek; Dinkey Creek, from Parsons Avenue to Watertown Drive; Watertown Drive, from Dinkey Creek to East Childs Avenue; and East Childs Avenue, from Coffee Street to Carol Avenue, as requested by Golden Valley High School Band Boosters Coordinator Kirsten Shulley for the 2018 Central California Band Review scheduled Saturday, November 10, 2018. The street closures will be between 6:00 a.m. and 3:30 p.m.; subject to the conditions of the administrative staff report.

Council Member MARTINEZ pulled this item to give the Golden Valley Band Director Mike VASQUEZ the opportunity to discuss the Band Review event.

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

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

No: 0

Absent: 0

K. PUBLIC HEARINGS

K.1.

SUBJECT: Continued Public Hearing - Annexation and Pre-Zoning Application #15-01, General Plan Amendment #15-04, and Pre-Annexation Development Agreement, Initiated by Louann Bianchi, and Quad LLC, Property Owners

REPORT IN BRIEF

Consider approval of the proposed annexation of 8.83 acres of land generally located at the northwest and southwest corners of North Highway 59 and Santa Fe Drive, along with changes in the General Plan

designation, pre-zoning, and approval of a Pre-Annexation Development Agreement.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving **Resolution 2018-60**, a Resolution of the City Council of the City of Merced, California, approving a Mitigated Negative Declaration for Annexation #15-01, Pre-Zoning Application #15-01, and General Plan Amendment #15-04 for 7.83 acres of land generally located at the northwest corner of North Highway 59 and Santa Fe Drive and 1.0 acre of land generally located at the southwest corner of North Highway 59 and Santa Fe Drive and approving General Plan Amendment #15-05 for the 7.83 acres of land generally located at the northwest corner of North Highway 59 and Santa Fe Drive changing the General Plan land use designation from Open Space (OS) to Thoroughfare Commercial (CT); and,

B. Approving **Resolution 2018-61**, a Resolution of the City Council of the City of Merced, California, to the Local Agency Formation Commission for the annexation of uninhabited property located at the northwest and southwest corners of North Highway 59 and Santa Fe Drive, as described herein; and,

C. Introducing **Ordinance 2494**, an Ordinance of the City Council of the City of Merced, California, amending the official zoning map by Pre-zoning land generally located at the northwest corner of North Highway 59 and Santa Fe Drive as Thoroughfare Commercial (C-T) and the land generally located at the southwest corner of North Highway 59 and Santa Fe Drive as Light Industrial (I-L); and,

D. Introducing **Ordinance 2495**, an Ordinance of the City Council of the City of Merced, California, approving a Pre-Annexation Development Agreement between the City of Merced and Lou Ann Bianchi for the Highway 59 and Santa Fe Annexation.

Planning Manager Kim ESPINOSA gave a slide show presentation on the Annexation and Pre-Zoning Application #15-01, General Plan Amendment #15-04, and Pre-Annexation Development Agreement.

Council, Ms. ESPINOSA, and City Engineer Steven SON discussed the advantages and disadvantages of a left turn in and no left out of the shopping center, warranted criteria for a traffic signal, and the development of the dual left lanes on Santa Fe. They also discussed the development of an additional lane on Highway 59, the development coinciding with the

widening of Highway 59, the usage of a traffic worm, and funding for the traffic portion of the project.

Council and Ms. ESPINOSA continued discussing traffic mitigation.

Mayor MURPHY opened the Public Hearing at 8:27 PM.

59 Petroleum Development Representative Surina MANN and Mr. SON discussed traffic mitigation.

KD Anderson and Associates representative Ken ANDERSON spoke on the traffic study and traffic mitigation.

Council and Mr. ANDERSON discussed left turns onto Santa Fe, traffic mitigation, and traffic safety.

Ben KURTZ, Merced - asked about fair share of development payment.

Ms. ESPINOSA explained the fair share portion of the project.

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

Interim City Attorney Jolie HOUSTON and Ms. ESPINOSA discussed adding conditions of approval to the pre-annexation development agreement.

A motion was made by Council Member Belluomini, seconded by Council Member Blake, approving Resolution 2018-60 and adding a median island and left turn island on Sant Fe to the Conditions of Approval for the Pre-Annexation Development Agreement. The motion carried by the following vote:

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

No: 1 - Council Member Martinez

Absent: 0

Clerk's Note: Council recessed at 8:51 PM and returned at 8:59 PM.

L. REPORTS

L.1.

SUBJECT: Pavement Management System Survey Results, Current Capital Improvement Projects, and Discussion of Future Streets Funding

REPORT IN BRIEF

Discuss the results of the Pavement Management System (PMS) survey completed by Merced County Association of Governments (MCAG), the current Capital Improvement Program (CIP) and provide direction on the programming of future Streets funding.

RECOMMENDATION

Provide staff direction for the implementation of the Pavement Management System survey results and future programming of Streets funding through the City's Capital Improvement Program.

City Engineer Steven SON gave a slide show presentation on the pavement management system survey results, current Capital Improvement Projects, and future streets funding.

Council and Mr. SON discussed the lifespan of the various types of street treatments, the type of equipment used to repair streets, enterprise funds to help repair underground utilities, and the deterioration of streets due to water.

Council Member BELLUOMINI discussed prioritizing the streets that have the most volume of traffic and most deterioration and advancing the completion of Parsons Avenue.

Council directed staff to develop a strategy to maintain the existing collector and arterial streets and a five to six year street repair program list.

Ben KUTRZ, Merced - spoke on the conditions of the bike paths, street conditions when riding a bike, and the cost of the upkeep of streets.

Clerk's Note: No formal action was taken.

L.2.

SUBJECT: Update on Goals and Priorities (1st Quarter)

REPORT IN BRIEF

Update on the City Council's goals and priorities for FY 2018-2019 1st Quarter.

RECOMMENDATION

For information only.

City Manager Steve CARRIGAN gave a presentation updating Council on the 1st Quarter Goals and Priorities.

Council and Assistant City Manager Stephanie DIETZ discussed Railroad Quiet Zones and the Childs Avenue Sidewalk Project.

M. BUSINESS

Clerk's Note: Item M.1. was moved up following Report Out of Closed Session.

M.2.

SUBJECT: Considers Approving the Second Amendment to the City Manager Employment Agreement

REPORT IN BRIEF

The City Council is asked to consider approving the Second amendment to the employment agreement for the City Manager.

RECOMMENDATION

City Council - Adopt a motion:

- A. Approving the Employment Agreement with the City Manager/City Clerk; and,
- B. Authorizing the Mayor to sign on behalf of the City; and,
- C. Authorizing the Finance Officer to make the necessary budget adjustments

Clerk's Note: This item was moved to a future Council Meeting.

M.3. Request to Add Item to Future Agenda

Council Member BELLUOMINI requested to add an item on the PACE Program for the November 5th Council Meeting.

M.4. City Council Comments

Council Member MARTINEZ reported on attending the Merced Feast event, the Merced's Got Talent event, and the Merced High School Homecoming Football game. He also spoke about the loss of an El Capitan High School student.

Council Member SERRATTO reported on attending the Merced Feast event, the Taste of Merced event, and a park cleanup.

Council Member BELLUOMINI reported on attending the LAFCo meeting, meeting with staff and the Welcome Sign designer, the Merced Feast event, the Parks and Recreation Commission meeting, giving a presentation to the Board of Realtors on accessory dwelling units, an ethics training, the joint school board meeting, surveying the sidewalks in Merced with the Lions Club, and the Merced's Got Talent event.

Council Member PEDROZO reported on attending the Merced Feast event, the Merced County Association of Governments meeting, and the booster meeting hosted by Merced Irrigation District. He also thanked the Parks Department for fixing issues at Moreno Park and the Fire Fighters for their fundraising efforts for Breast Cancer.

Mayor MURPHY reported on attending a meeting with Kamela HARRIS, a tour of the Tioga Hotel, the Mainzer, and the El Capitan Hotel renovation sites, the Bay Area Council meeting, the Merced Feast event, the Merced's Got Talent event, the University Board of Regents meeting, the joint meeting with the school district, the San Joaquin Joint Powers Authority Board meeting, and the Taste of Merced event.

N. ADJOURNMENT

Clerk's Note: The Regular Meeting adjourned at 10:26 PM.

A motion was made by Council Member Martinez, seconded by Council Member Pedrozo, to adjourn the Regular Meeting in honor of Riley Hansen. 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