



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, February 4, 2019

6:00 PM

A. CLOSED SESSION ROLL CALL

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

Absent: 0

B. CLOSED SESSION

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

B.1. **SUBJECT:** PUBLIC EMPLOYEE PERFORMANCE EVALUATION -
Title: Finance Officer; Authority: Government Code Section 54957

B.2. **SUBJECT:** CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED
LITIGATION Significant Exposure to Litigation pursuant to Government
Code section 54956.9(d)(2): (1) case

Clerk's Note: Council adjourned from Closed Session at 6:00 PM.

C. CALL TO ORDER

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

C.1. Invocation - Joel Dorman, First Baptist Church

The invocation was delivered by Joel DORMAN from First Baptist Church.

C.2. Pledge of Allegiance to the Flag

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

D. ROLL CALL

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

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. CEREMONIAL MATTERS

F.1. **SUBJECT:** Proclamation - Black History Month

REPORT IN BRIEF

Mayor Murphy will present the proclamation to Allen Brooks, President, NAACP Merced Branch 1047.

Mayor MURPHY presented the Black History Month proclamation to Allen BROOKS, President of the NAACP Merced Branch 1047.

G. WRITTEN PETITIONS AND COMMUNICATIONS

There were none.

H. ORAL COMMUNICATIONS

Stephanie CHAVEZ, Merced - spoke on the housing in Merced.

Rick WENDLING, Merced - spoke on the landscaping on M Street and placing a speed bump on Briggs Lane.

Erynn RAMOS, Merced - spoke on Expanding Her Horizons event.

Lyle ALLEN, Merced, Habitat for Humanity of Merced County - spoke on a project that the Habitat for Humanity of Merced County is working on.

Karen ANN, Merced - spoke on an ongoing issue and various topics.

I. CONSENT CALENDAR

Items I.6. Award Bid and Approval of Agreement with Rolf Construction Company in the Amount of \$351,922 for City Project No. 118027 - CDBG Rivera Bike Path - G Street Ramps; and Approval of Amended Interdepartmental Cooperative Agreement Between the City of Merced Engineering and Housing Division and I.10. Approval of a Professional

Services Agreement for the Preparation of the 5-Year Update of the Public Facilities Financing Plan and Impact Fee Program with Economic and Planning Systems, Inc. in the Amount of \$85,000; were pulled for separate consideration.

Approval of the Consent Agenda

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

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

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-Planning Commission Minutes of November 7 and 14, 2018

RECOMMENDATION

For information only.

This Consent Item was approved.

I.3. **SUBJECT:** Information-Only Contracts for the Month of January 2019

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.

I.4.

SUBJECT: Approval of City Council/Public Financing and Economic Development/Parking Authority Meeting Minutes of January 7, 2019

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 January 7, 2019.

This Consent Item was approved.

I.5.

SUBJECT: Accept and File Community Facilities District (CFD) Nos. 2003-1 (Bellevue Ranch East), 2003-2 (Services), 2005-1 (Bellevue Ranch West), 2006-1 (Moraga of Merced) Annual Disclosure Reports For Fiscal Year 2017-2018

REPORT IN BRIEF

The Continuing Annual Disclosure Reports contain certain CFD information required to be filed annually by the City per Security and Exchange Commission (SEC) rule 15c2-12(b) and Government Code sections 50075-50077 and 53410-53412.

RECOMMENDATION

City Council - Adopt a motion accepting and filing the CFD Annual Disclosure Reports For Fiscal Year 2017-2018 for CFD Nos. 2003-1 (Bellevue Ranch East), 2003-2 (Services), 2005-1 (Bellevue Ranch West), 2006-1 (Moraga of Merced).

This Consent Item was approved.

I.7.

SUBJECT: Acceptance and Appropriation of Grant Funding in the Amount of \$3,000 from FY 2019 Merced County First Five Mini Grant for the Applegate Park Zoo's Lights Before Christmas Event

REPORT IN BRIEF

Considers accepting and appropriating grant funding in the amount of \$3,000 from Merced County First Five for the Applegate Park Zoo's Lights Before Christmas event.

RECOMMENDATION

City Council - Adopt a motion:

A. Accepting grant funds from Merced County First Five and increasing revenue in account 024-1254-360-02-01 - Zoo Special Events (Contributions and Donations) in the amount of \$3,000; and,

B. Appropriating \$2,425 to account 024-1205-542-29-00 - Community Service Zoo (Supplies and Services), and \$575 to account 024-1254-542-29-00 - Zoo Special Events (Supplies and Services); and,

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

This Consent Item was approved.

I.8.

SUBJECT: Acceptance and Appropriation of Grant Funding in the Amount of \$3,000 from FY 2019 Merced County First Five Grant for Tiny Tots Santa's Workshop, Valentine's Day and Earth Day

REPORT IN BRIEF

Considers accepting and appropriating grant funding in the amount of \$3,000 from Merced County First Five for the following community events; Santa's Workshop, Valentine's Day and Earth Day.

RECOMMENDATION

City Council - Adopt a motion:

A. Accepting grant funds from Merced County First Five and increasing revenue in account 024-1226-360-02-01 - Creative Skills-Contributions and Donations in the amount of \$3,000; and,

B. Appropriating the same to account 024-1226-542-29-00 - Creative Skills-Supplies and Services; and,

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

This Consent Item was approved.

I.9.

SUBJECT: Approval of Street Closure Request 18-24 by Velo Promo, LLC for the 30th Original Merced Criterium Bicycle Race on February 24, 2019 from 6:00 a.m. to 5:00 p.m. for the Area of West 18th Street to West 21st Street Between M and N Streets

REPORT IN BRIEF

Considers approving a request for use of City streets for the purpose of a bicycle race on February 24, 2019 from 6:00 a.m. to 5:00 p.m. The road closure area is from West 18th Street between M and N Streets, West 19th Street between M and N Streets, West 20th Street between M and N Streets, and West 21st Street between M and N Streets (including the Courthouse loop).

RECOMMENDATION

City Council - Adopt a motion approving the request by Velo Promo, LLC, to close West 18th Street between M and N Streets, West 19th Street between M and N Streets, West 20th Street between M and N Streets, and West 21st Street between M and N Streets (including Courthouse loop) on Sunday, February 24, 2019, from 6:00 a.m. to 5:00 p.m., subject to the conditions listed in the body of this report.

This Consent Item was approved.

I.6.

SUBJECT: Award of Bid and Approval of Agreement with Rolfe Construction Company in the Amount of \$351,922 for City Project No. 118027 - CDBG Rivera Bike Path-G Street Ramps; and Approval of Amended Interdepartmental Cooperative Agreement Between the City of Merced Engineering Division and Housing Division

REPORT IN BRIEF

Considers awarding a bid and approving an agreement in the amount of \$351,922 with Rolfe Construction Company for the Community Development Block Grant (CDBG) Rivera Bike Path-G Street Ramps; and approve amended Interdepartmental Cooperative Agreement between the City of Merced Engineering and Housing Divisions.

RECOMMENDATION

City Council - Adopt a motion:

A. Awarding a bid and approving an agreement with Rolfe Construction Company in the amount of \$351,922 for the Community Development Block Grant (CDBG) Rivera Bike Path-G Street Ramps, Project No. 118027; and,

B. Authorizing the City Manager or the Assistant City Manager to execute the necessary documents, to approve change orders not to exceed \$35,192.20 (10% of the project cost); and,

C. Approving an amended Interdepartmental Cooperative Agreement listing grant award from \$284,633 to \$315,417 between the City of Merced Engineering and Housing Divisions; and,

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

Mayor Pro Tempore MARTINEZ pulled this item to request a staff report.

Public Works Director Ken ELWIN briefly explained the scope and funding for the project.

MART and Mr. ELWIN discussed the ADA ramps, sidewalk and bike path improvements, and project timeline.

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

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

No: 0

Absent: 0

I.10.

SUBJECT: Approval of a Professional Services Agreement for the Preparation of the 5-Year Update of the Public Facilities Financing Plan and Impact Fee Program with Economic and Planning Systems, Inc. in the Amount of \$85,000

REPORT IN BRIEF

Considers awarding a professional services agreement to Economic &

Planning Systems, Inc., in the amount of \$85,000 to prepare the 5-year update of the City's Public Facilities Financing Plan and Impact Fee Program and appointing a City Council Sub-committee.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving the Professional Services Agreement with Economic & Planning Systems, Inc., in the amount of \$85,000.00 for preparation of the 5-year update of the City's Public Facilities Financing Plan and Impact Fee Program; and,

B. Authorizing the City Manager or the Assistant City Manager to execute the documents; and,

C. Appointing a Council sub-committee of 2-3 members to assist in the PFFP review.

Council Member SERRATTO pulled this item to select a sub-committee for the preparation of the 5-year update of the Public Facilities Financing Plan and Impact Fee Program with Economic and Planning Systems.

A motion was made by Council Member Blake, seconded by Mayor Pro Tempore Martinez, to appoint Mayor Murphy and Mayor Pro Tempore Martinez to the Sub-committee and approve the agreement. The motion carried by the following vote:

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

No: 0

Absent: 0

J. REPORTS

J.1.

SUBJECT: Adoption of Resolution Allowing the Submittal of a Joint Application with the Richman Group of California Development Company, LLC (Richman Group), and the Central Valley Coalition for Affordable Housing (CVCAH) for the Affordable Housing and Sustainable Communities (AHSC) Program to Obtain Loan and Grant Funding for the Construction of a 119 Unit Affordable Housing Project at 1137 B Street in Merced, California and Approval and Execution of an Enforceable Funding Commitment Agreement, a First Amendment to the Exclusive Negotiating Agreement, and Memorandum of Understanding Between the City, CVCAH and the Richman Group, and

Certification of the National Environmental and Protection Agency
Environmental Assessment

REPORT IN BRIEF

Considers Resolution allowing the submittal of a joint application with the Richman Group of California Development Company, LLC (Richman Group), and the Central Valley Coalition for Affordable Housing (CVCAH) for the Affordable Housing and Sustainable Communities (AHSC) Program to obtain loan and grant funding for the construction of a 119 unit Affordable Housing Project at 1137 B Street in Merced, California and approval and execution of an Enforceable Funding Commitment Agreement, a First Amendment to the Exclusive Negotiating Agreement, and Memorandum of Understanding between the City, CVCAH and the Richman Group, and Certification of the National Environmental and Protection Agency Environmental Assessment.

RECOMMENDATION

City Council - Adopt a motion:

- A. Adopting **Resolution 2019-06**, a Resolution of the City Council of the City of Merced, California, authorizing application for the Affordable Housing and Sustainable Communities Program; and,
- B. Approving the enforceable funding commitment agreement between the City of Merced, Central Valley Coalition for Affordable Housing, and Richman Group of California Development Company LLC, a Limited Liability Company; and,
- C. Authorizing the City Manager or the Assistant City Manager to execute the necessary documents to submit the AHSC Program application as a joint applicant with the Richman Group and the Central Valley Coalition for Affordable Housing; and,
- D. Authorizing the City Manager or the Assistant City Manager to sign the National Environmental and Protection Agency Environmental Assessment (EA) for the Childs and B Street project and sign the Authority to Use Grant Funds as the City's Certifying Officer; and,
- E. Funding the Childs Court Apartments as submitted. The amount awarded to applicants may not exceed \$1,200,000 of Low-Moderate Income Housing Asset funding for this development and shall be included

as part of the 2018 and 2019 HUD Annual Action Plans; and,

F. Funding the Childs Court Apartments as submitted. The amount awarded to applicants may not exceed \$2,000,000 of Community Development Block Grant (CDBG) funding for this development and shall be included as part of the 2019, 2020, 2021, and 2022 HUD Annual Action Plans; and,

G. Funding the Childs Court Apartments as submitted. The amount awarded to applicants may not exceed \$1,910,000 of HOME Investment Partnership Program (HOME) funding for this development and shall be included as part of the 2018, 2019, 2020, 2021, 2022, and 2023 HUD Annual Action Plans; and,

H. Approving the First Amendment to the Exclusive Negotiating Agreement between the City of Merced, the Richman Group of California Development Company, LLC and the Central Valley Coalition for Affordable Housing; and,

I. Approving the AHSC Implementation and Cooperation Memorandum of Understanding between the City of Merced, the Richman Group of California Development Company, LLC. and the Central Valley Coalition for Affordable Housing.

Housing Program Supervisor Mark HAMILTON gave a slide show presentation on the Childs and B Street Housing Project.

Council and Mr. HAMILTON discussed General Fund impact and the City's financial commitment to the project.

Council Member MCLEOD stated her support for the Childs and B Street housing project.

Diana ODOM GUNN, Merced Downtown Neighborhood Association - stated her support for this project.

Council Member BLAKE and Richmond Group representative Rick WESTBERGE discussed who will benefit from the project.

City Attorney Phaedra NORTON requested flexibility on the Memorandum of Understanding.

A motion was made by Council Member McLeod, seconded by Council Member Serratto, approving the recommended action and to include the flexibility on the Memorandum of Understanding. The motion carried by the following vote:

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

No: 0

Absent: 0

K. BUSINESS

K.1. **SUBJECT:** Request for the City Council to Consider Changing the Date of the North Merced Town Hall Meeting at Rivera Middle School to February 27, 2019

REPORT IN BRIEF

Request that Council consider changing the date of the North Merced Town Hall meeting at Rivera Middle School to February 27, 2019, due to a scheduling conflict.

RECOMMENDATION

Provide staff direction on the date of the North Merced Town Hall Meeting at Rivera Middle School.

Assistant to the City Manager Mike CONWAY briefly discussed possibly changing the North Merced Town Hall Date to February 27, 2019.

Mayor MURPHY stated that he had a conflict on the original date on February 12th and requested to move it to February 27th.

A motion was made by Council Member Blake, seconded by Council Member McLeod, to move the North Merced Town Hall date to February 27, 2019. The motion carried by the following vote:

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

No: 0

Absent: 0

K.2. **SUBJECT:** Appointment - Regional Airport Authority

REPORT IN BRIEF

Consider appointing Cuauhtémoc Diaz to the Regional Airport Authority.

RECOMMENDATION

City Council - Adopt a motion appointing Cuauhtémoc Diaz to serve as a member of the Regional Airport Authority, to a seat with a term expiration of July 1, 2021.

Assistant City Clerk John TRESIDDER briefly discussed the vacancy of the Regional Airport Authority.

A motion was made by Council Member Blake, seconded by Mayor Pro Tempore Martinez, to appoint Cuauhtemoc Diaz to the Regional Airport Authority. The motion carried by the following vote:

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

No: 0

Absent: 0

K.3. Request to Add Item to Future Agenda

No items were add to a future agenda.

K.4. City Council Comments

Council Member ECHEVARRIA reported on attending the Report of Our Schools event, the Merced County ACT Coalition event.

Mayor Pro Tempore MARTINEZ reported on attending the Annual Explorer event and the Daughters of the American Revolution event.

Council Member SERRATTO reported on attending the Youth Council Park Cleanup event.

Mayor MURPHY reported on attending the US Conference of Mayors in Washington D.C., the Martin Luther King Jr. March event, gathering for Council Member Shang TOU from the City of Oakland, the City County Dinner, the Installation of Allen BROOKS as the NAACP President, meeting with Restore Merced, meeting with the former Mayor of Fresno, and meeting with Senator FEINSTEIN. He also spoke on the State of the City event.

L. ADJOURNMENT

Clerk's Note: The Regular Meeting adjourned at 7:14 PM.

A motion was made by Mayor Murphy, seconded by Council Member Blake, to adjourn the Regular Meeting in honor of Bryce Bogs. The motion carried by the following vote:

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

No: 0

Absent: 0