



# 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/Successor Agency to the Redevelopment Agency

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Monday, March 20, 2023

6:00 PM

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#### A. CLOSED SESSION 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

#### B. CLOSED SESSION

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

**Clerk's Note:** Council Member XIONG arrived to Closed Session at 5:03 PM.

- B.1.** SUBJECT: CONFERENCE WITH REAL PROPERTY NEGOTIATORS - Property: 636, 638, and 640 West Main Street, APN: 031-134-003; Agency Negotiator: Stephanie Dietz, City Manager; Negotiating Parties: Caleb Medafind. and City of Merced; Under Negotiation: Price and Terms of Payment
- B.2.** SUBJECT: CONFERENCE WITH LABOR NEGOTIATORS -- Agency Designated Representative(s): Travis Lindsey, Contract City Attorney; Employee Organizations: Merced Police Officers' Association (MPOA) and Merced Association of Police Sergeants AUTHORITY: Government Code Section 54957.6
- B.3.** SUBJECT: CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION Initiation of Litigation Pursuant to Paragraph (4) of Subdivision (d) of Section 54956.9: Three (3) Potential Cases
- B.4.** 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, City of Los Banos, and City of Atwater, Petitioners, vs. Merced County Association of Governments, Respondents

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**Clerk's Note:** Council adjourned from Closed Session at 5:54 PM.

## C. CALL TO ORDER

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

C.1. Invocation - Pastor Juan Ochoa, Calvary Assembly of God

The Invocation was delivered by Pastor Juan OCHOA of the Calvary Assembly of God.

C.2. Pledge of Allegiance to the Flag

Pastor Juan OCHOA led the Pledge of Allegiance to the Flag.

## D. 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

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. CEREMONIAL MATTERS

F.1. **SUBJECT:** Proclamation - Arbor Day

### REPORT IN BRIEF

Received by Angel Nunez, Public Works Supervisor - Parks and Trees of the City of Merced Public Works Department.

Mayor SERRATTO presented the Arbor Day Proclamation to Public Works Tree Supervisor Angel NUNEZ and Tree Trimmer Antonio FLORES.

F.2. **SUBJECT:** Proclamation - National Donate Life Month

**REPORT IN BRIEF**

Received by Leo Hernandez of the Donor Network West.

Mayor SERRATTO presented the National Donate Life Month Proclamation to Leo HERNANDEZ of the Donor Network West.

F.3.

**SUBJECT:** Proclamation - Arbor Gallery 40th Anniversary

**REPORT IN BRIEF**

Received by Karen McComb of the Arbor Gallery.

Mayor SERRATTO presented the Arbor Gallery 40th Anniversary Proclamation to Karen MCCOMB and representatives of the Arbor Gallery.

**G. WRITTEN PETITIONS AND COMMUNICATIONS**

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

Oral Communications: Robert CASTANEDA.

**H. ORAL COMMUNICATIONS**

**Clerk's Note:** Council heard in-person speakers before voicemails.

**Clerk's Note:** The following speakers appeared in person.

Greg HARTMAN, Merced - spoke on his concerns of new diesel buses from The Bus.

Mayor SERRATTO stated that The Bus is under Merced County Association of Governments.

Rick WENDLING, Merced - spoke on inflation and the state of the economy and the allocation of funds.

Cindy RAMOS, Merced - thanked staff for all of the social media posts during flooding and thanked Stephanie DIETZ for all her work as City Manager.

Lynn FAVIER, Merced - spoke on collaboration between Adventure Playground and the City.

Josh PEDROZO, Merced - thanked City staff and Public Works for flooding issues and spoke on County blocks.

Fernando AGUILERA, Merced - spoke on the Albion Merced Soccer Academy, the Soccer Program success, and investing in a Soccer Complex in Merced.

Johnny ROGEL, Merced - spoke on the consistent pot hole issues on Childs Avenue and G Street.

Valentine RODRIGUEZ, Merced - spoke on his concerns of having no sidewalks in South Merced.

Mayor SERRATTO stated there are projects in the area that will improve the sidewalks.

Javier CALTENCO, Small Business Association, Merced - spoke on available disaster funds for recent floods.

Robert RUYBE, Merced - spoke on establishing housing for homeless and providing assistance to reduce crime and drug-use issues.

Robert DYлина, Merced - spoke on a down payment assistance program, available assistance for citizens affected by floods, and invited Council to the Housing Authority meeting.

Arturo MARTINEZ, Representative of Senator Anna CABALLERO, Merced - introduced himself to Council as the representative of Senator Anna CABALLERO.

Mike MURPHY, Committee for a Safer Merced, Merced - provided an update on ballot request from the Committee for a Safer Merced.

Steven GRAHAM, Merced - spoke on the Donor Network West and shared a personal story.

Colton DENNIS, Merced - invited Council and citizens to the High School Art Show and spoke on applications for Art projects.

**Clerk's Note:** The following comments were received via voicemail.

Bill SPRIGGS, Merced - spoke on the importance of public comment and

asked Council to reconsider the voicemail system for public input during Council Meetings.

Erik EKIZIAN, Merced - shared the importance of public comment and the reconsideration of the voicemail system for public comment.

EJ LORENZI, Merced - shared the importance of public comment and the reconsideration of the voicemail system for public comment.

Andrew, Merced - spoke on the importance of every public comment and asked to reconsider the voicemail system for public comment.

Lynn BARERRA, Merced - spoke on her concerns for the stray animals in South Merced.

Vicky SCHOOEY, Merced - spoke on her concerns of rent control issues.

Concerned Citizen, Merced - spoke on facts of rent control and shared concerns of implementing rent control in a city due to housing costs increasing.

## I. CONSENT CALENDAR

**Clerk's Note:** There were no Consent items pulled for separate consideration.

### Approval of the Consent Agenda

**A motion was made by Council Member Ornelas, seconded by Council Member Boyle, 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 - Site Plan Review Minutes of February 2, 2023

**RECOMMENDATION**

For information only.

**This Consent Item was approved.**

- I.3. **SUBJECT:** Information Only - Planning Commission Minutes of February 8, 2023

**RECOMMENDATION**

For information only.

**This Consent Item was approved.**

- I.4. **SUBJECT:** Approval of Agreement and First Amendment for Labor Costing Software Provided by GovInvest for an Additional Two Years Totaling \$70,000 Over Four Years

**REPORT IN BRIEF**

Considers the approval of the Original Agreement and First Amendment to Agreement with GovInvest to provide labor costing software for an additional two years totaling \$70,000 over four years.

**RECOMMENDATION**

**City Council** - Adopt a motion:

A. Approving the Original Agreement and First Amendment to Agreement with GovInvest for Labor Costing Software; and,

B. Authorizing the City Manager or Deputy City Manager to execute all necessary documents.

**This Consent Item was approved.**

- I.5. SUBJECT: Second Amendment to the Program Year 2021-22 Subrecipient Agreement with Alliance for Community Transformations for the “Achieving Housing and Economic Stability with Survivors of Violence” Program; and, Approval of an Allocation of U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant Program Resources and Approval of an Associated Subrecipient Agreement with The Boys and Girls Club of Merced County for the Program Approved with the Adopted 2022 Annual Action Plan

**REPORT IN BRIEF**

Considers extending the Term of Performance for the existing Community Development Block Grant (CDBG) Agreement with Alliance for Community Transformations; and, considers authorizing the execution of a 2022- 23 Program Year Community Development Block Grant (CDBG) Subrecipient Agreement with The Boys and Girls Club of Merced County (\$55,730).

**RECOMMENDATION**

**City Council** - Adopt a Motion:

- A. Approving the Second Amendment to the 2021-22 Subrecipient Agreement between City of Merced and Alliance for Community Transformations for the Community Development Block Grant (CDBG) “Achieving Housing and Economic Stability with Survivors of Violence” 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 The Boys and Girls Club of Merced County in the amount of \$55,730 for the “Journey Upward Merced Program/J.U.M.P.” 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 any necessary budget adjustments.

**This Consent Item was approved.**

- I.6. **SUBJECT:** Approval of an Agreement for Services with Crawford and Bowen Planning Inc., for Environmental Services and a Deposit and Reimbursement Agreement with OP Development, Inc., Relating to the Annexation of the Branford Point Project to the City of Merced

**REPORT IN BRIEF**

Considers entering into an agreement for services with Crawford and Bowen Planning Inc., in the amount of \$163,190 to perform environmental services for the annexation of the Branford Point project (48 acres on the west side of Lake Road between Bellevue Road and La Loma Road) to the City of Merced, and entering into a deposit and reimbursement agreement with OP Development, Inc., in the amount of \$179,509 to fund the Crawford and Bowen contract and to reimburse for City staff time to manage the contract.

**RECOMMENDATION**

**City Council** - Adopt a motion:

- A. Approving an Agreement for Services with Crawford and Bowen Planning Inc., in the amount of \$163,190 to perform environmental services for the annexation of the Branford Point project to the City of Merced; and,
- B. Approving a Deposit and Reimbursement Agreement with OP Development, Inc., in the amount of \$179,509 to cover the cost of the consultant contract (\$163,190) and staff time (\$16,319) for the administration of the environmental review process and contract; and,
- C. Approving an increase of revenue in the amount of \$63,190 to Fund 3000-Development Services-Other Revenue Developers account line and appropriating \$63,190 to the Professional Services account line for payment to Crawford and Bowen Planning Inc.; and,
- D. Authorizing the City Manager or Deputy City Manager to execute the agreements.

**This Consent Item was approved.**

- I.7. **SUBJECT:** Adoption of Resolution 2023-22 Designating the City Manager or Deputy City Manager as the Authorized Agent for the State of California Governor's Office of Emergency Services



**REPORT IN BRIEF**

Considers adopting Resolution 2023-22 designating the City Manager or Deputy City Manager as the authorized agent for the California Governor's Office of Emergency Services (Cal OES).

**RECOMMENDATION**

**City Council** - Adopt a motion adopting **Resolution 2023-22**, a Resolution of the City of Council of the City of Merced, California, designation of authorized agent to file applications and execute documents required to obtain disaster relief assistance.

This Consent Item was approved.

I.8.

**SUBJECT:** Reject All Bids Received for Project No. 123035 WWTP Phase VI ASD Supplemental Heating System and Headworks Improvements

**REPORT IN BRIEF**

Considers rejecting all bids received to construct a new boiler building, gas treatment system, hot water boilers, pumps, compressors, piping and electrical for the Active Solar Dryers (ASDs) Supplemental Heating System and improvements to the Headworks System due to insufficient project funding.

**RECOMMENDATION**

**City Council** - Adopt a motion rejecting all bids received for Project No. 123035 WWTP Phase VI ASD Supplemental Heating System and Headworks Improvements due to insufficient funding and direct staff to reduce the project scope and re-bid the project.

This Consent Item was approved.

I.9.

**SUBJECT:** Award Proposal and Approval of a Statement of Services Contract with Shannon Pump Company, in the Amount of \$258,230.60, For Well #13 Repairs, Project No. CP230064

**REPORT IN BRIEF**

Considers awarding a proposal and approving a Statement of Services Contract with Shannon Pump Company to patch casing breaches, replace pump and column and all related pump system parts, returning Well #13 to reliable and acceptable condition.

**RECOMMENDATION**

**City Council** - Adopt a motion:

A. Awarding a proposal and approving a Statement of Services Contract with Shannon Pump Company in the amount of \$258,230.60 for Well 13 Repairs Project No. CP230064; and,

B. Authorizing the City Manager or Deputy City Manager to execute the necessary documents and approve change orders up to 10% of the contract price.

**This Consent Item was approved.**

**I.10.**

**SUBJECT:** Approval to Waive the Competitive Bidding Requirements and Authorizing the Purchase of One Grapple Loader Truck Through a Cooperative Purchasing Agreement with Sourcewell via Municipal Maintenance Equipment (M.M.E.), Inc., for \$278,604.48

**REPORT IN BRIEF**

Considers authorizing to waive the competitive bidding requirements pursuant to Merced Municipal Code Section 3.04.210 to purchase a currently budgeted and Council approved fleet vehicle through the government procurement program Sourcewell.

**RECOMMENDATION**

**City Council** - Adopt a motion:

A. Waiving the City's competitive bidding requirement as permitted by Merced Municipal Code section 3.04.210 and authorizing the purchase to be made with a cooperative purchase agreement through Sourcewell, a government procurement program; and,

B. Approving the purchase of one grapple loader truck in the amount of \$278,604.48 from M.M.E., through Sourcewell contract # 40621-PII; and,

C. Authorizing the City Manager or the Deputy City Manager to execute any necessary documents for the purchases specified above, the Finance Officer to make the appropriate budget adjustments and City

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Buyer to issue the Purchase Orders, and approval of change orders not to exceed 10% of the total purchase price.

**This Consent Item was approved.**

## J. PUBLIC HEARINGS

**Clerk's Note:** Council took a recess at 7:06 PM and returned at 7:12 PM.

### J.1.

**SUBJECT:** Public Hearing - Introduction and Preliminary Review of Proposed Expenditures of Community Development Block Grant and Home Investment Partnership Program Funds for Fiscal Year 2023-2024, to be Included in the Draft U.S. Department of Housing and Urban Development (HUD) 2023 Annual Action Plan; and Receipt of Public Comment During a Public Hearing

#### REPORT IN BRIEF

Introduction and Review of Preliminary Program Year 2023 proposed Housing, Economic Development, and Public Service project funding and other expenditures of Federal funding for inclusion in the Draft HUD 2023 Annual Action Plan; and Public Hearing to provide the Public an opportunity to comment.

#### RECOMMENDATION

##### City Council -

- A. Conduct a Public Hearing to receive public comment regarding the anticipated funding, proposed projects, focused community needs, and other topics that will be considered for inclusion in the Draft 2023 Annual Action Plan; and,
- B. Discuss and provide comment, if any, on staff recommendations regarding the anticipated funding, proposed projects, focused community needs, and proposed distribution of Federal funding to be included in the Draft of the 2023 Annual Action Plan; and,
- C. Discuss and provide direction to staff regarding prioritization of 2023 Community Development Block Grant Public Service funding requests over the allowed 15% Public Services cap.

**Clerk's Note:** Council Member SMITH recused himself

Housing Program Supervisor Kim NUTT gave a slideshow presentation on

the preliminary review of the propose expenditures of Community Development Block Grant (CDBG) and the Home Investment Partnership Program Funds for Fiscal year 2023-2024.

Mayor SERRATTO and Ms. NUTT discussed the program funding cap for CDBG.

Mayor SERRATTO opened the Public Hearing at 7:30 PM.

**Clerk's Note:** The following comments were received via voicemail.

Erik EKIZIAN, Merced - urged Council to support more economic development in the community and prioritize initiatives that bring development to Merced.

EJ LORENZI, Merced - emphasized the significance of economic development in the community and urged Council to support economic growth in Merced.

**Clerk's Note:** The following speakers appeared in person.

Leticia LUQUE, Harvest Time, Merced - spoke on Harvest Time connecting with community, the assistance towards the homeless, and asked Council for their support.

Monika GRASLEY, Lifeline CDC, Merced - spoke on the activities Lifeline CDC provides to the community.

Mayor SERRATTO closed the Public Hearing at 7:39 PM.

Council, Ms. NUTT, Development Services Director Scott MCBRIDE, and City Manager Stephanie DIETZ discussed the landlord counseling from Project Sentinel, the economic development portion of WeeCare, the category for projects under public service and economic development, potentially allocating funding source for homeowners impacted by natural disasters, funds to housing projects, the allocating funds before the budget process, balance for rental assistance, and different funding scenarios for the CDBG public services.

Council agreed to fund Sierra Saving Grace, Harvest Time, Boys and Girls Club, and Lifeline CDC in full except Project Sentinel and review the fund

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balance left over.

Council, Ms. NUTT, and Mrs. DIETZ briefly discussed the possibility of allocating more funds to Sierra Saving Grace if the project has an increase of funds.

**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:** 6 - Mayor Serratto, Mayor Pro Tempore Perez, Council Member Ornelas, Council Member Boyle, Council Member DeAnda, and Council Member Xiong

**No:** 0

**Absent:** 0

**Abstain:** 1 - Council Member Smith

**J.2.**

**SUBJECT: Public Hearing - Home Investment Partnership Program - American Rescue Plan Act (HOME-ARP) Draft Allocation Plan and Adopt a Resolution Approving a Substantial Amendment to the 2021-2022 Annual Action Plan to Allocate Additional Home Investment Partnerships Program Funds Appropriated Through the American Rescue Plan of 2021**

**REPORT IN BRIEF**

Hold a Public Hearing to take comments on the HOME-ARP Draft Allocation Plan and to Adopt a Resolution Approving a Substantial Amendment to the 2021-2022 Annual Action Plan, to allocate additional Home Investment Partnerships Program funds made available through the American Rescue Plan of 2021 and Approve the HOME-ARP Draft Plan for submission to the U.S. Department of Housing and Urban Development by March 30, 2023.

**RECOMMENDATION**

**City Council** - Adopt a motion:

A. Holding a Public Hearing and Approve the HOME-ARP Draft Allocation Plan; and,

B. Adopting **Resolution 2023-21**, a Resolution of the City Council of the City of Merced, California, approving Substantial Amendment # 1 to the Program Year 2021-2022 Annual Action Plan and the HOME-ARP allocation plan for the additional Home Investment Partnership Program

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(HOME) funds made available through the American Rescue Plan Act of 2021; Accepting and Appropriating the HOME-ARP funds awarded to the City by the U.S. Department of Housing and Urban Development ; Authorizing the City Manager or Deputy City Manager to execute any all related documents, certifications, and/or agreements resulting from this allocation; and authorizing staff to submit all approved documents to the U.S. Department of Housing and Urban Development; by the March 30, 2023 deadline; and,

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

Management Analyst Leah BROWN gave a slideshow presentation on the Home Investment Partnership Program - American Rescue Plan (HOME-ARP) allocation plan.

Mayor SERRATTO opened the Public Hearing at 8:04 PM and subsequently closed the Public Hearing at 8:04 PM due to lack of public comments.

Council and Mrs. BROWN discussed the grant funds and the direction.

**A motion was made by Mayor Pro Tempore Perez, 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

**J.3.**

**SUBJECT: Public Hearing - Vacation #22-04 - Initiated by MG Star, to Vacate the 60-Foot-Wide Right-of-Way for Streets within the Paseo Subdivision, Generally Located at the Northwest Corner of G Street and Bellevue Road (Vacation #22-04)**

**REPORT IN BRIEF**

Considers adopting a Resolution to order the vacation of the 60-Foot-Wide Right-of-Way for Streets within the Paseo Subdivision, generally located at the northwest corner of G Street and Bellevue Road.

**RECOMMENDATION**

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**City Council** - Adopt a motion adopting **Resolution 2023-19, A** Resolution of the City Council of the City of Merced, California, Ordering the Vacation of the 60-Foot-Wide Right-of-Way Dedicated for Streets within Portico Drive, Montage Drive, Promenade Avenue, Countryside Avenue, Mosaic Avenue, and Savannah Avenue within the Paseo Subdivision Generally Located at the Northwest Corner of G Street and Bellevue Road (Vacation #22-04).

**Clerk's Note:** Council Member BOYLE recused herself due to a conflict of interest of her workplace.

Senior Planner Julie NELSON gave a slideshow presentation on Vacation #22-04, vacating the 60-foot wide Right-of-Way for streets within the Paseo Subdivision.

Mayor SERRATTO opened the Public Hearing at 8:10 PM.

Randel MATHIAS, MG Star, Merced - spoke on details of the subdivision such as the homeowners association, maintenance for the roadways, spoke on the City relief of potential liability, and the gate that will be installed.

Mayor SERRATTO and Mr. MATHIAS discussed the traffic due to the high school.

Josue HERRERA, Merced - urged Council to oppose the vacation due the concerns of gated communities and spoke briefly on gated communities.

Mayor SERRATTO closed the Public Hearing at 8:14 PM.

Council, Mrs. NELSON, and Mr. MATHIAS discussed the easement for water and sewer lines, segregating communities, affordable housing, access for first responders, benefits of a gated community, Homeowners Association (HOA) responsibilities, management office off site, and potentially conducting a traffic study.

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

**Aye:** 4 - Mayor Serratto, Mayor Pro Tempore Perez, Council Member DeAnda, and Council Member Smith

**No:** 1 - Council Member Xiong

**Absent:** 0

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**Abstain:** 2 - Council Member Ornelas, and Council Member Boyle

## K. REPORTS

### K.1.

**SUBJECT:** Acceptance of the 2022 General Plan Annual Report Summarizing the Status of the Merced Vision 2030 General Plan and the Steps Taken to Implement the General Plan Policies and Implementation Actions and Acceptance of the 2022 Housing Element Annual Progress Report Summarizing the City's Progress in Meeting the City's Share of Regional Housing Needs and the Goals and Policies of the Housing Element Including Number of Entitlements, Permits, and Certificates of Occupancy for All Housing Types

#### REPORT IN BRIEF

Accepts for information only the 2022 General Plan Annual Progress Report and the 2022 Housing Element Annual Progress Report and allows the public an opportunity to provide oral testimony and written comments regarding the 2022 Housing Element Annual Progress Report.

#### RECOMMENDATION

**City Council** - Adopt a motion accepting the 2022 General Plan Annual Report and the 2022 Housing Element Annual Progress Report for information only.

Senior Planner Julie NELSON gave a slideshow presentation accepting the 2022 General Plan Annual Report.

**Clerk's Note:** There was no Council discussion.

**A motion was made by Council Member Ornelas, 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

### K.2.

**SUBJECT:** Policy Direction on Commercial Cannabis Business Permits



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**REPORT IN BRIEF**

The City Council is being requested to provide policy direction on potential modifications to the City of Merced Commercial Cannabis Business Permits process contained within Section 20.44.170 of the City of Merced Zoning Code.

**RECOMMENDATION**

**City Council** - Provide Direction to Staff regarding potential modifications to the City of Merced Commercial Cannabis Business Permits process contained within Section 20.44.170 of the City of Merced Zoning Code.

Development Services Director Scott MCBRIDE gave a slideshow presentation on the commercial cannabis business permits.

Council, City Manager Stephanie DIETZ, and Mr. MCBRIDE discussed the process of Step One and Step Two and details of the motion.

Dwight LARKS, Merced - spoke on details of the cannabis ordinance, providing the public to open lounges to consume cannabis legally, and economic development.

Lauren ARNEST, Representative of United Food and Commercial Workers, Merced - spoke in support of increasing to ten commercial cannabis retail stores to bring more revenue, union jobs, and resolve two current appeals.

Council and Mr. MCBRIDE discussed the change of cannabis permits from five to ten, the black market, retailers with multiple locations, and details of the ordinance amendment.

**A motion was made by Mayor Pro Tempore Perez, seconded by Council Member Boyle, to expand the number of retail permits and consider alternative sites for appeals and ownership. The motion carried by the following vote:**

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

**No:** 1 - Council Member Smith

**Absent:** 0

Council and Mr. MCBRIDE discussed details of Step Two, time frame of both steps, and consideration of consumption lounge.

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Council agreed to include details of considering a consumption lounge in the ordinance and coming back in six to twelve months.

## L. BUSINESS

### L.1. **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.

Mayor SERRATTO requested the status of the Clean California Grant, Yosemite Parkway improvements, South Merced Reunited Communities Grant, Prop 68, and a storm drain in Meadows.

City Manager Stephanie DIETZ stated that the Clean California Grant will come back as a Report Item and working with staff to agendize a grant for Parks and Recreation.

### L.2. **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 thanked everyone for the preparedness of the potential flooding.

Council Member SMITH thanked everyone for the efforts of the potential flooding and spoke on the community coming together.

Mayor Pro Tempore PEREZ thanked all public employee workers and Mayor SERRATTO's storm drain cleanup crew.

Council Member XIONG thanked everyone for the efforts of the floods and expressed gratitude for all the work that has been done due to the rain.

Council Member ORNELAS thanked city crew cleaning up the dump site and spoke on upcoming events such as the Sacred Rock event, the Poetry Slam event, Youth Baseball, and Youth Softball season.

Council Member DEANDA thanked city public works tree staff for removing a fallen tree and expressed his appreciation for all the work everyone has done during the floods.

Mayor SERRATTO thanked everyone who participated during the storms, thanked those who attended with the McNamara Park South Merced Cleanup day, spoke on upcoming events such as Clean California Day event in Planada and the Mayor's Ball.

Council Member ORNELAS added that a local young Merced boxer Daniel HARO has been spending time with Professional Boxer Ryan GARCIA.

Council Member BOYLE added the opening of Sprouts.

## M. ADJOURNMENT

**Clerk's Note:** The Regular Meeting was adjourned at 9:13 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