



CITY OF MERCED

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

Minutes

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

Monday, August 3, 2015

7:00 PM

A. CLOSED SESSION ROLL CALL

Present: 7 - Mayor Stanley P. Thurston, Mayor Pro Tempore Joshua Pedrozo, Council Member Michael Belluomini, Council Member Kevin Blake, Council Member Tony Dossetti, Council Member Noah Lor, and Council Member Mike Murphy

Absent: 0

B. CLOSED SESSION

The Closed Session was called to order at 6:16 p.m.

B.1.

SUBJECT: CONFERENCE WITH LEGAL COUNSEL - Significant Exposure to Litigation: (1) Case; Authority: Government Code Section 54956.9

The Closed Session adjourned at 6:40 p.m.

C. STUDY SESSION ROLL CALL

Clerk's Note: Council Member LOR did not return from Closed Session and was absent for the remainder of the meeting.

Present: 6 - Mayor Stanley P. Thurston, Mayor Pro Tempore Joshua Pedrozo, Council Member Michael Belluomini, Council Member Kevin Blake, Council Member Tony Dossetti, and Council Member Mike Murphy

Absent: 1 - Council Member Noah Lor

D. STUDY SESSION

The Study Session was called to order at 6:42 p.m.

D.1.

SUBJECT: Youth Council Study

REPORT IN BRIEF

Presented by Dr. Robin DeLugan, Professor, UC Merced

Josh FLORES and Gabriela CARERA made a presentation on Youth Councils. City Council asked about providing training opportunities and

specific findings in the study.

The Study Session adjourned at 7:01 p.m.

E. CALL TO ORDER

Mayor THURSTON called the Regular Session to order at 7:03 p.m.

E.1. Invocation - Pastor Andy Doss, Merced Baptist Church

The invocation was delivered by Pastor Andy Doss, Merced Baptist Church.

E.2. Pledge of Allegiance to the Flag

F. ROLL CALL

Present: 6 - Mayor Stanley P. Thurston, Mayor Pro Tempore Joshua Pedrozo, Council Member Michael Belluomini, Council Member Kevin Blake, Council Member Tony Dossetti, and Council Member Mike Murphy

Absent: 1 - Council Member Noah Lor

G. REPORT OUT OF CLOSED SESSION

There was no report.

H. CEREMONIAL MATTERS

H.1. **SUBJECT:** Recognition of High School Ambassadors

REPORT IN BRIEF

Certificates will be received by 2015 High School Ambassadors Brandon Garcia, Valeria Michel, Miguel Rojas-Flores, and Katherine Tyler.

Assistant City Clerk Miranda LUTZOW and Mayor Pro-Tempore Josh PEDROZO presented certificates of recognition to the 2015 High School Ambassadors Brandon GARCIA, Valeria MICHEL, Miguel ROJAS-FLORES, and Katherine TYLER.

This Ceremonial Matter Item was read into the record.

I. WRITTEN PETITIONS AND COMMUNICATIONS

There were none.

J. ORAL COMMUNICATIONS

Marcus TUCKER, High Speed Rail Coordinator - gave an update on the

High Speed Rail project.

Barry FALKE, Director of Central Valley Red Cross - introduced himself to the Council.

Daniel KAZAKOS, Merced - spoke about the downtown Farmer's Market.

Rick McMILLION, Merced - spoke about downtown safety measures.

Steve GUTIERREZ, Merced - spoke on the Barclay apartments.

K. CONSENT CALENDAR

Agenda items K.3. - City Council/Public Financing and Economic Development Authority Meeting Minutes of May 13, 2015, and May 28, 2015, K.8. - Administering Agency Amendment Modification Summary (E-76) for Bridge Repair Design and Development of the City of Merced's Bridge Preventative Maintenance Program (BPMP), Project 108026, and K.9. - Fahren's Park Assessment District Bond Call were pulled from the Consent Calendar for separate consideration.

Approval of the Consent Agenda

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

Aye: 6 - Mayor Thurston, Mayor Pro Tempore Pedrozo, Council Member Belluomini, Council Member Blake, Council Member Dossetti, and Council Member Murphy

No: 0

Absent: 1 - Council Member Lor

K.1. **SUBJECT:** Information Only Contracts

This Consent Item was approved.

K.2. **SUBJECT:** Notice of Vacancy - Recreation and Parks Commission

REPORT IN BRIEF

Requests direction for filling the newly created vacancy on the Parks & Recreation Commission.

RECOMMENDATION

City Council - Adopt a motion directing staff to notice a vacancy on the Recreation and Parks Commission due to the resignation of Shawn Dwyer

and to seek applicants for the position.

This Consent Item was approved.

K.4.

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.

K.5.

SUBJECT: Award Bid to Mid Cal Pipeline & Utilities, Inc., for the 2015 Water Main Installation, Mission Avenue and Tyler Road, Project 107033

REPORT IN BRIEF

Consider awarding a construction contract in the amount of \$1,099,600 for the installation of a water main along Mission Avenue and Tyler Road.

RECOMMENDATION

City Council - Adopt a motion:

A. Awarding the bid for the 2015 Water Main Installation, Mission Avenue and Tyler Road, Project 107033, to Mid Cal Pipeline & Utilities, Inc., in the amount of \$1,099,600; and,

B. Authorizing the City Manager to execute the necessary documents and to approve change orders not to exceed 10% of the total contract.

This Consent Item was approved.

K.6.

SUBJECT: Award Bid to Taylor Backhoe Service for the Wastewater Treatment Plant Wildlife and Irrigation Fields Pipeline Improvements Project 115044/113023

REPORT IN BRIEF

Consider awarding a construction contract in the amount of \$341,561.84 for the installation of new irrigation lines at the Wastewater Treatment Plant.

RECOMMENDATION

City Council - Adopt a motion:

A. Awarding the bid for the Wastewater Treatment Plant Wildlife and Irrigation Fields Pipeline Improvements Project 115044/113023, to Taylor Backhoe Service in the amount of \$341,561.84; and,

B. Authorizing the City Manager to execute the necessary documents and to approve change orders not to exceed 10% of the total contract.

This Consent Item was approved.

K.7.

SUBJECT: Award Bid to Phase 1 Construction for the Water Meter Retrofitting Program Project 108068

REPORT IN BRIEF

Consider awarding a construction contract in the amount of \$112,600 for the cleaning of approximately 7,000 existing water boxes in various locations within the City of Merced.

RECOMMENDATION

City Council - Adopt a motion:

A. Awarding the bid for the Water Meter Retrofitting Program, Project 108068, to Phase 1 Construction, in the amount of \$112,600; and,

B. Authorizing the City Manager to execute the necessary documents and to approve change orders not to exceed 10% of the total contract.

This Consent Item was approved.

K.10.

SUBJECT: Correct Typographical Error on Fiscal Year 2015-16 Annual Special Tax Rate (Exhibit A) for Community Facilities District (CFD) No.2003-2 (Services) of the City of Merced

REPORT IN BRIEF

Consider amending Exhibit A of Resolution No. 2015-23, authorizing the establishment of Annual Special Tax Rates for Fiscal Year 2015-16 to correct the Special Tax Rates typographical error for Improvement Area 30.

RECOMMENDATION

City Council - Adopt **Resolution No. 2015-35**, a Resolution of the City of Merced, California, acting as the Legislative Body of the Community

Facilities District No. 2003-2 (Services) of the City of Merced, amending Resolution 2015-23 to correct exhibit A thereto relating to the Annual Special Tax for said district for Fiscal Year 2015-16

This Consent Item was approved.

K.11. **SUBJECT: 2014 Water-Energy Grant Awarded \$2.5 Million for Purchase of Water Meters and Meter Reading Software**

REPORT IN BRIEF

For Information Only

This Consent Item was approved.

K.12. **SUBJECT: 2014/2015 Regional Surface Transportation Program Exchange Funds**

REPORT IN BRIEF

Merced County Association of Governments (MCAG) has received a RSTP exchange contract from Caltrans for Fiscal year 2014/2015 and the City of Merced can claim, by simple resolution, its portion of the exchange funds.

RECOMMENDATION

City Council - Adopt **Resolution 2015-30**, a Resolution of the City Council of the City of Merced California, authorizing the City Manager to file the Regional Surface Transportation Program (RSTP) Exchange Funds claim for Fiscal Year 2014-2015.

This Consent Item was approved.

K.13. **SUBJECT: Federal Aviation Administration (FAA) FY 2015 - 2020 Airport Capital Improvement Plan and 2015 Grant Application**

REPORT IN BRIEF

Consider approving the Merced Regional Airport five year Capital Improvement Program, approving the FAA grant application for Fiscal Year 2015, and accepting grant funds, if awarded.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving annual Airport Capital Improvement Plan (ACIP) for Fiscal Year 2015 - 2020; and,

B. Approving the Federal Aviation Administration (FAA grant) application for Fiscal Year 2015; and,

C. Approving acceptance of grant funds and increasing the Airport Capital Improvement Fund revenue account 461-1303-321.10-00 in the amount of \$124,260 and appropriating the same to account 461-1303-667.65-00, if awarded; and,

D. Transferring \$1,540 from Fund 561 to Fund 461 and appropriating the same to account 461-1303-667-65-00 for the required grant match; and,

E. Authorizing the City Manager to execute all necessary documents to accept the grant funds and submit them to the Federal Aviation Administration.

This Consent Item was approved.

K.14.

SUBJECT: City-Owned Real Property Request #15-08 for Bob Hart Square (Merced Center for the Performing Arts/Annual Gala)

REPORT IN BRIEF

Consider allowing the use/closure of Bob Hart Square on Saturday, August 15, 2015, from 7:00 a.m. to 11:30 p.m., for the Merced Center for the Performing Arts for their annual gala fundraiser (includes the sale of alcohol).

RECOMMENDATION

City Council - Adopt a motion approving the closure of Bob Hart Square on Saturday, August 15, 2014, from 7:00 a.m. to 11:30 p.m. for a gala fundraiser (includes the sale of alcohol); subject to the conditions outlined in the administrative staff report.

This Consent Item was approved.

K.15.

SUBJECT: Second Reading - Ordinance Dealing with No Parking Zones, Two-Way Stop Intersections, and Stop Sections Designated

REPORT IN BRIEF

Second Reading of previously introduced Ordinance.

RECOMMENDATION

City Council - Adopt **Ordinance 2448**, and Ordinance of the City Council

of the City of Merced, California, Amending Section 10.28.230, "No Parking Zones", Section 10.28.370, "Two-Way Stop Intersections", and Section 10.28.380, "Stop Intersections Designated" of the Merced Municipal Code.

This Consent Item was approved.

Items Pulled from Consent Agenda

K.3.

SUBJECT: City Council/Public Financing and Economic Development/Parking Authority Meeting Minutes of May 13, 2015 and May 28, 2015

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 May 13, 2015 and May 28, 2015.

Council Member BELLUOMINI pulled this item to discuss changes to the minutes.

A motion was made by Mayor Pro-Tem Pedrozo which was seconded by Council Member Murphy to table this item to a future meeting.

Aye: 6 - Mayor Thurston, Mayor Pro Tempore Pedrozo, Council Member Belluomini, Council Member Blake, Council Member Dossetti, and Council Member Murphy

No: 0

Absent: 1 - Council Member Lor

K.8.

SUBJECT: Administering Agency Amendment Modification Summary (E-76) for Bridge Repair Design and Development of the City of Merced's Bridge Preventative Maintenance Program (BPMP), Project 108026

REPORT IN BRIEF

Consider accepting an additional \$88,530 in Federal grant funds for the G and M Street Bridges at Bear Creek Repair Design Project and Development of the City of Merced's Bridge Preventative Maintenance Program (BPMP).

RECOMMENDATION

City Council - Adopt a motion:

A. Accepting grant revenue from a Federal Grant, through Caltrans, increasing revenue account 450-1104-324.02-00 in the amount of \$88,530, and appropriating the same to account 450-1104-637.65-00-Project 108026 Bridge repairs;

B. Transferring matching funds in the amount of \$11,470 from Street and Signal CIP Fund 450-1104-637.65-00-Projects to be Determined to 450-1104-637.65-00-Project No. 108026; and,

C. Authorizing the City Manager or his designee to execute all necessary documents.

Council Member BELLUOMINI removed this item to ask why the planter boxes would not be replaced. Ken ELWIN, City Engineer responded.

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

Aye: 6 - Mayor Thurston, Mayor Pro Tempore Pedrozo, Council Member Belluomini, Council Member Blake, Council Member Dossetti, and Council Member Murphy

No: 0

Absent: 1 - Council Member Lor

K.9.

SUBJECT: Fahren's Park Assessment District Bond Call

REPORT IN BRIEF

Consider approving Fahren's Park Assessment District early Bond Call.

RECOMMENDATION

City Council - Adopt a motion approving Fahren's Park Assessment District Early Bond Call; and, authorizing the Finance Officer to make the necessary budget adjustments.

Mayor Pro-Tempore PEDROZO removed this item to recuse himself because he lives in the district.

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

Aye: 5 - Mayor Thurston, Council Member Belluomini, Council Member Blake, Council Member Dossetti, and Council Member Murphy

No: 0

Absent: 1 - Council Member Lor

Recused: 1 - Mayor Pro Tempore Pedrozo

L. PUBLIC HEARINGS

- L.1. **SUBJECT:** Public Hearing - General Plan Amendment #14-06 and Zone Change #421 for the Southeast Corner of Yosemite Avenue and McKee Road

REPORT IN BRIEF

Request to change the General Plan designation from Low Density Residential (LD) to Neighborhood Commercial (CN) and to change the Zoning from R-1-6 to Neighborhood Commercial (C-N) for two parcels located at the southeast corner of Yosemite Avenue and McKee Road.

RECOMMENDATION

City Council - Adopt a Motion

- A. Adopting **Resolution 2015-34**, a Resolution of the City Council of the City of Merced, California, approving a Mitigated Negative Declaration for General Plan Amendment #14-06 and Zone Change #421 for two parcels containing approximately 5.42 acres located at the southeast corner of Yosemite Avenue and McKee Road; and approving General Plan Amendment #14-06 for the same two parcels changing the General Plan Designation from Low Density Residential (LD) to Neighborhood Commercial (CN); and,
- B. Introducing **Ordinance 2447**, an Ordinance of the City Council of the City of Merced, California, amending the Official Zoning Map by rezoning an approximately 5.42 acre parcel located at the southeast corner of Yosemite Avenue and McKee Road from R-1-6 to Neighborhood Commercial (C-N); and,
- C. Approving the Developer Agreement and Authorizing the City Manager to execute the necessary documents.

Council Member BLAKE recused himself from this item because he lives within the 500 foot limit of the property to be discussed.

Director of Development Services David GONZALVES made a brief presentation on the project to be approved.

City Council asked questions related to the project. City Engineer Ken ELWIN and Development Director GONZALVES responded.

Mayor THURSTON opened the Public Hearing at 8:25 p.m.

Ashley McCOMB, Golden Valley Engineering and Surveying, representing the developers of the project, offered to answer any questions the City Council may have. City Council Members asked questions and Ashley McCOMB answered.

Gloria SANDOVAL, Merced - asked about the impact to water usage.

Casey STEED, Merced - spoke in opposition to the project.

Ted SHELBY, Merced - spoke in opposition to the project.

Mayor THURSTON closed the Public Hearing at 8:35 p.m.

City Council asked questions relating to zoning policy. Director GONZALVES answered.

Clerk's Note: Following the vote, Council took a 5 minute recess.

A motion was made by Mayor Pro Tempore Pedrozo, seconded by Mayor Thurston, that this agenda item be adopted as amended to include site plan option #1. The motion carried by the following vote:

Aye: 5 - Mayor Thurston, Mayor Pro Tempore Pedrozo, Council Member Belluomini, Council Member Dossetti, and Council Member Murphy

No: 0

Absent: 1 - Council Member Lor

Recused: 1 - Council Member Blake

L.2.

SUBJECT: Public Hearing - General Plan Amendment #15-02, Site Utilization Plan Revision #18 to Planned Development (P-D) #4 - Southeast Corner of Olive Avenue and M Street

REPORT IN BRIEF

Request to change the General Plan designation from Commercial Office (CO) to Neighborhood Commercial (CN) and the Site Utilization Plan designation from "Financial Institution" to "Retail Commercial."

RECOMMENDATION

City Council - Adopt a Motion

A. Adopting **Resolution 2015-31**, a Resolution of the City Council of the City of Merced, California, approving a Negative Declaration for General Plan Amendment #15-02 and Site Utilization Plan Revision

#18 to Planned Development (P-D) #4 and approving General Plan Amendment #15-02 changing the Land Use Designation from Commercial Office (CO) to Neighborhood Commercial (CN) for a 0.92-acre parcel located at the southeast corner of Olive Avenue and M Street; and,

- B. Introducing **Ordinance 2446**, an Ordinance of the City Council of the City of Merced, California, approving Site Utilization Plan Revision #18 to Planned Development (P-D) #4 changing the designation from "Financial Institution" to "Retail Commercial" for a 0.92 acre parcel generally located at the southeast corner of Olive Avenue and M Street; and,
- C. Approving the Developer Agreement and Authorizing the City Manager to execute the necessary documents.

Director of Development Services David GONZALVES made a brief presentation about the proposed project.

Mayor THURSTON opened the Public Hearing at 9:18 p.m.

David THELEN, Merced - spoke on behalf of the applicant.

Mayor THURSTON closed the Public Hearing at 9:27 p.m.

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

Aye: 6 - Mayor Thurston, Mayor Pro Tempore Pedrozo, Council Member Belluomini, Council Member Blake, Council Member Dossetti, and Council Member Murphy

No: 0

Absent: 1 - Council Member Lor

L.3.

SUBJECT: Public Hearing - Appeal of the Planning Commission's denial of Conditional Use Permit #1200 involving a request to construct a 216-unit apartment complex on a 9.8-acre parcel located on the north side of Merrill Place (extended) approximately 1,200 feet east of G Street

REPORT IN BRIEF

Request to overturn the Planning Commission's denial of Conditional Use Permit #1200 to allow the construction of a 216-unit apartment complex.

RECOMMENDATION

City Council -

To **Deny** the Appeal adopt a motion:

- A. Adopting **Resolution 2015-32**, A Resolution of the City Council of the City of Merced, California, approving Environmental Review #15-07 (CEQA Section 15162 Findings) and denying an appeal by B.P. Investors, L.P. concerning the action of the Planning Commission resulting in the denial of Conditional Use Permit #1200 and thereby denying Conditional Use Permit #1200.

To **Approve** the Appeal adopt a motion:

- A. Adopting **Resolution 2015-33**, A Resolution of the City Council of the City of Merced, California, approving Environmental Review #15-07 (CEQA Section 15162 Findings) and granting an appeal by B.P. Investors, L.P. concerning the action of the Planning Commission resulting in the denial of Conditional Use Permit #1200 and thereby approving Conditional Use Permit #1200 to allow the construction of a 216-unit apartment complex on a 9.8-acre parcel generally located on the north side of Merrill Place (extended) approximately 1,200 feet east of G Street.

Director of Development Services David GONZALVES made a brief presentation about the proposed project.

City Council Members asked questions related to conditions. Director GONZALVES answered.

Mayor THURSTON opened the Public Hearing at 9:54 p.m.

Rick TELEGAN, the applicant, spoke in favor of the project. City Council Members asked questions. Mr. TELEGAN responded.

Eric MOORE, Merced - spoke in opposition to the project.

Delores CRULL, Merced - spoke in opposition to the project.

Pete BANDONI, Merced - spoke in opposition to the project. City Council Members asked questions. Mr. BANDONI responded.

Mayor THURSTON closed the Public Hearing at 10:18 p.m.

City Council Members asked questions related to the project. Director GONZALVES and Planning Manager Kim ESPINOSA responded.

Council Member BELLUOMINI made a motion to direct the applicant to

redesign phase 1 to have an enclosed and secure recreational area and phase 2 be completed later. Mayor THURSTON seconded the motion.

Development Director GONZALVES due to the appeal process, this item would need to be returned to Council at it's next meeting.

Mr. TELEGAN stated the project was secured by fencing and the phase 1 design was purposeful with drainage in mind.

Mayor THURSTON withdrew his second upon hearing Mr. TELEGAN's statement.

A motion was made by Council Member Murphy, seconded by Council Member Blake, that this agenda item be adopted with the access road agreed upon by the developer and City. The motion carried by the following vote:

Aye: 4 - Mayor Pro Tempore Pedrozo, Council Member Blake, Council Member Dossetti, and Council Member Murphy

No: 2 - Mayor Thurston, and Council Member Belluomini

Absent: 1 - Council Member Lor

M. BUSINESS

M.1.

SUBJECT: Designation of Voting Delegate and Alternates for the 2015 League of California Cities Annual Conference - Annual Business Meeting, September 30 - October 2, 2015, San Jose

REPORT IN BRIEF

To expedite the conduct of business at this important policy-making meeting, each City Council is asked to designate a voting representative and two alternates who will be present at the meeting.

RECOMMENDATION

City Council - Adopt a motion designating one voting delegate and two alternate voting delegates to the League of California Cities Annual Conference General Business Meeting scheduled for Friday afternoon, October 2, 2015 in San Jose.

Mayor THURSTON nominated Mayor Pro-Tempore PEDROZO as the voting member.

A motion was made by Mayor Thurston, seconded by Council Member Blake, to appoint Mayor Pro-Tempore Pedrozo as the voting delegate for the League of California Cities Conference with Council Members Belluomini and Dossetti being alternates. The motion carried by the following vote:

Aye: 6 - Mayor Thurston, Mayor Pro Tempore Pedrozo, Council Member Belluomini, Council Member Blake, Council Member Dossetti, and Council Member Murphy

No: 0

Absent: 1 - Council Member Lor

M.2. Request to Add Item to Future Agenda

M.3. City Council Comments

**SUBJECT: Council Member Belluomini Report on San Joaquin Valley
Air Pollution Control District Meeting**

Council Member BELLUOMINI briefed Council on the San Joaquin Valley Air Pollution District Meeting.

Council Member DOSSETTI reported on a meeting with the Downtown Business Association and the UC Merced Forum.

This Business Item was read into the record.

N. ADJOURNMENT

The meeting adjourned at 11:12 p.m.

Mayor Pro-Tempore Pedrozo made a motion to adjourn to 5:00 p.m. on Monday, August 17, 2015 for a joint City Council/Parks and Recreation meeting, seconded by Council Member Blake. The motion carried by the following vote:

Aye: 5 - Mayor Pro Tempore Pedrozo, Council Member Belluomini, Council Member Blake, Council Member Dossetti, and Council Member Murphy

No: 0

Absent: 1 - Council Member Lor

Abstain: 1 - Mayor Thurston