



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, July 17, 2017

6:00 PM

A. CLOSED SESSION ROLL CALL

Clerk's Note: Council Member SERRATTO arrived at 5:05 PM.

Present: 6 - Council Member Michael Belluomini, Council Member Anthony Martinez, Council Member Joshua Pedrozo, Council Member Matthew Serratto, Mayor Mike Murphy, and Mayor Pro Tempore Kevin Blake

Absent: 1 - Council Member Jill McLeod

B. CLOSED SESSION

Clerk's Note: Council adjourned to Closed Session at 5:00 PM.

B.1. **SUBJECT:** CONFERENCE WITH LEGAL COUNSEL -- EXISTING LITIGATION; Jeffery Eastman v. City of Merced; Workers Compensation Appeals Board Case Nos. FRE-ADJ 1044942; FRE-ADJ 3077215 and FRE-ADJ 1049007; AUTHORITY: Government Code Section 54956.9(d)(1)

B.2. **SUBJECT:** CONFERENCE WITH LEGAL COUNSEL -- EXISTING LITIGATION; Reginald Matthews v. City of Merced; Workers Compensation Appeals Board Case Nos. FRE-ADJ 10214661; FRE-ADJ 10214667; FRE-ADJ 10214682 and FRE-ADJ 10214501; AUTHORITY: Government Code Section 54956.9(d)(1)

Clerk's Note: Council adjourned from Closed Session at 5:55 PM.

B.3. **SUBJECT:** PUBLIC EMPLOYEE APPOINTMENT - Title: Finance Officer; AUTHORITY: Government Code 54957.

B.4. **SUBJECT:** CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION: Significant Exposure to Litigation Pursuant to Paragraph (2) of Subdivision (d) of Section 54956.9: 1 Case

C. CALL TO ORDER

Mayor MURPHY called the Regular Meeting to order at 6:01 PM.

C.1. Invocation - Bruce Metcalf, Rescue Mission

The invocation was delivered by Bruce METCALF from the Rescue Mission.

C.2. Pledge of Allegiance to the Flag

Council Member MARTINEZ led the pledge of allegiance.

D. ROLL CALL

Present: 6 - Council Member Michael Belluomini, Council Member Anthony Martinez, Council Member Joshua Pedrozo, Council Member Matthew Serratto, Mayor Mike Murphy, and Mayor Pro Tempore Kevin Blake

Absent: 1 - Council Member Jill McLeod

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

The Closed Session was continued after the Business portion of the meeting.

F. CEREMONIAL MATTERS

F.1. SUBJECT: Proclamation - Remembering the Sikh Genocide

REPORT IN BRIEF

Presented to Lashman Singh.

Mayor Pro Tempore BLAKE and Council Member SERRATTO presented Lashman SINGH the Proclamation remembering the Sikh Genocide.

G. WRITTEN PETITIONS AND COMMUNICATIONS

There were none.

H. ORAL COMMUNICATIONS

Mike CONWAY, Assistant to the City Manager, spoke on the Summer at City Hall Program and introduced some of the participating students.

Michael PIERICK and Reggie NELSON, Merced - spoke on the Student

Athletes Focusing on Education (SAFE) Program and presented a check from the SAFE leadership games fundraiser for the City Summer Playground Camp.

Monica VILLA, Merced - spoke on the Merced Homeless Connect Program.

Manar HARRAN, UC Merced Student - spoke on the incident at the Hookah Lounge.

Selasie DE-SOUZA, UC Merced Student - spoke on the incident at the Hookah Lounge.

Anley TEFERA (TISHO), UC Merced Student - spoke on the incident at the Hookah Lounge.

Juanae BAILEY, UC Merced Student - spoke on the incident at the Hookah Lounge.

Chidera OFOHA, UC Merced Student - spoke on the incident at the Hookah Lounge.

Chigoziri IBECHEM, UC Merced Student - spoke on the incident at the Hookah Lounge.

Maryam CROGMAN, UC Merced Student/ Instructor - spoke on the incident at the Hookah Lounge.

Salma MEMON, UC Merced Student - spoke on the incident at the Hookah Lounge.

Necola ADAMS, Merced - suggested a community forum on race.

Claudia GONZALEZ, Merced - spoke on safety for the community and the police.

Jesse ORNELAS, Merced - spoke on the police and community safety.

Noella BIH, UC Merced Student - spoke on the incident at the Hookah Lounge.

Joshua MILLMAN, UC Merced Student - spoke on the incident at the Hookah Lounge.

Daniela ARAS, UC Merced Student - spoke on the incident at the Hookah Lounge.

Dan CASTRO, Merced - spoke on the police and the community.

Christine HUNWARDSSEN, Atwater - spoke on an incident that occurred walking into City Hall.

Gabriel DELEON, Merced - spoke on helping the youth.

Sage PERDUE, Merced - spoke on justice and a safe community.

Whitney PIRTLE, Merced - spoke on her support for the UC Students who spoke and on police and community relationships.

Susan CARTER, Merced - spoke on her support for the UC Students who spoke.

Rodolfo RODRIGUEZ, UC Merced Student - spoke on the incident at the Hookah Lounge.

Fenan GEBREALFA, UC Merced Student - spoke on the incident at the Hookah Lounge.

Keith ENSMINGER, Merced - spoke on the incident at the Hookah Lounge.

Divya SHARMA, Merced - spoke on justice for the students arrested.

Violet BARTON, UC Merced Student - spoke on her support for the UC Students who spoke and for justice.

Kyle ALLEN, Merced - spoke on improving the police department and having compassion for both the police and the community.

Ralph GONZALEZ, Merced - spoke on getting the Chief of Police and the Chancellor of the UC to work together.

Danielle BERMUDEZ, UC Merced Student - spoke on the incident at the Hookah Lounge.

Clerk's Note: Council took a break at 7:28 PM and returned at 7:38 PM.

I. CONSENT CALENDAR

Items I.8. Master Recipient Funding Agreement with Merced County Association of Governments to Receive Measure V Funds, I.10. Petition to Annex into Community Facilities District (CFD) No. 2003-2 (Services) and Approval of a Deposit and Reimbursement Agreement to Cover the Costs of the Annexation for the University Village Merced - Lake Project, and I.13. Consideration of a City Loan Commitment Agreement with the Merced Gateway Investors II, LP for the Development of Gateway Terrace II Apartments, were pulled for separate consideration.

Approval of the Consent Agenda

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

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

No: 0

Absent: 1 - Council Member McLeod

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 June 7, 2017

RECOMMENDATION

For information only

This Consent Item was approved.

I.3. SUBJECT: Information Only - Merced Regional Airport Authority Meeting Minutes of April 10, 2017

RECOMMENDATION

For information only.

This Consent Item was approved.

I.4.

SUBJECT: Information Only - Bicycle Advisory Commission
Minutes of April 25, 2017

RECOMMENDATION

For information only.

This Consent Item was approved.

I.5.

SUBJECT: Information Only-Site Plan Review Minutes of January
12, 2017

RECOMMENDATION

For information only.

This Consent Item was approved.

I.6.

SUBJECT: City Council/Public Financing and Economic
Development/Parking Authority Meeting Minutes of June 19, 2017

REPORT IN BRIEF

Official adoption of previously held meeting minutes.

RECOMMENDATION

**City Council/Public Financing and Economic
Development/Parking Authority** - Adopt a motion approving the
meeting minutes of June 19, 2017.

This Consent Item was approved.

I.7.

SUBJECT: Accept and Appropriate Donated Funds for National
Night Out Celebration

REPORT IN BRIEF

Accept donation from McLane Company and appropriate funds to
offset costs of National Night Out Celebration.

RECOMMENDATION

City Council - Adopt a motion:

A. Accepting the donation of \$2,000 from the McLane Company for National Night Out Celebration

B. Increasing Police revenue account #001-1001-360-02-01 by \$2,000 and appropriating the same in Fund #001-1037-522-29-00 for expenses related to National Night Out.

This Consent Item was approved.

I.9.

SUBJECT: Approval of Second Amendment to Legal Services Agreement with Best, Best & Krieger

REPORT IN BRIEF

Consider approving a Second Amendment to the Legal Services Agreement with the Law Firm Best, Best & Krieger

RECOMMENDATION

City Council- Adopts a motion:

A. Approving the Second Amendment to the Legal Services Agreement with Best, Best & Krieger;

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

C. Authorizing the City Manager or Assistant City Manager to execute the Second Amendment to the Legal Services Agreement with Best, Best & Krieger.

This Consent Item was approved.

I.11.

SUBJECT: Supplemental Budget Appropriation - Maintenance and Community Facilities Districts Fiscal Year 2016/2017 Utility Expense Close-Out

REPORT IN BRIEF

Council considers approving budget appropriations to cover prior year utility expenses for landscape irrigation and storm pump costs.

RECOMMENDATION

City Council - Adopt a motion approving supplemental budget appropriations of funds from the Unappropriated Reserves in the amount of \$4,450, from the Silverado (\$1,100), Oakmont #3 (\$950), Moss Landing (\$200), Merced Auto Center (\$200), Fahrens Park

(\$1,400), Hansen Park (\$300), and Moraga (\$300) Districts, to cover landscape irrigation and storm pump electrical costs for Fiscal Year 2016/2017.

This Consent Item was approved.

I.12.

SUBJECT: Approval of Errata Sheet to the 2015 Urban Water Management Plan

REPORT IN BRIEF

As part of the public hearing of June 15, 2017 and the subsequent Adoption of the 2015 Urban Water Management Plan, there were several questions from the City Council which resulted in the Council directing Staff to clarify and add certain information to the City's Plan. The Department of Water resources has reviewed the Errata Sheet and has determined that the desired changes were minor and clarifying in nature; thus they could be addressed by creating and approving an errata sheet.

RECOMMENDATION

City Council - Adopt a motion approving the errata sheet to the Adopted 2015 Urban Water Management Plan.

This Consent Item was approved.

I.14.

SUBJECT: Request to Set a Public Hearing for the Tax Equity and Fiscal Responsibility Act (TEFRA) Regarding the Facilitation of Bond Sales by the Statewide Communities Development Authority for the Gateway Terrace II Project

REPORT IN BRIEF

Request to set a public hearing for Monday, August 7, 2017, to consider the Tax Equity and Fiscal Responsibility Act (TEFRA) Regarding the Facilitation of Bond Sales by the Statewide Communities Development Authority for the Gateway Terrace II Project.

RECOMMENDATION

City Council - Adopt a motion setting a public hearing for Monday, August 7, 2017, to consider the Issuance of Multi-Family Housing Revenue Bonds for Gateway Terrace II Apartments.

This Consent Item was approved.

- I.15. **SUBJECT:** Request to Set a Public Hearing for August 7, 2017,
Regarding Approval of an Amendment to the City's 2017-2018
Housing and Urban Development Annual Action Plan

REPORT IN BRIEF

Sets a Public Hearing for August 7, 2017, to obtain public input regarding a proposed amendment to the City's 2017-2018 Housing and Urban Development Annual Action Plan.

RECOMMENDATION

City Council - Adopt a motion setting a Public Hearing for Monday, August 7, 2017, to obtain public input and consider an amendment to the City's 2017-2018 Housing and Urban Development Annual Action Plan.

This Consent Item was approved.

- I.8. **SUBJECT:** Master Recipient Funding Agreement with Merced
County Association of Governments to Receive Measure V Funds

REPORT IN BRIEF

Consider authorizing a Master Recipient Funding Agreement with Merced County Association of Governments to receive Measure V funds.

RECOMMENDATION

City Council - Adopt a motion approving the Master Recipient Funding Agreement with Merced County Association of Governments; and, authorizing the City Manager or Assistant City Manager to execute the necessary documents.

Council Member BELLUOMINI pulled this item to ask about the City's annual General Fund commitment and questioned the Merced County Association of Governments' approval of bonding with Measure V.

Interim Deputy Finance Officer Venus RODRIGUEZ stated that the City will be spending \$92,000 annually from the General Fund.

City Manager Steve CARRIGAN spoke on spending Measure V Funds and bonding money for future projects.

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

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

No: 0

Absent: 1 - Council Member McLeod

I.10.

SUBJECT: Petition to Annex into Community Facilities District (CFD) No. 2003-2 (Services) and Approval of a Deposit and Reimbursement Agreement to Cover the Costs of the Annexation for the University Village Merced - Lake Project

REPORT IN BRIEF

Accept Petition to annex into Community Facilities District (CFD) No. 2003-2 (Services) from Fagundes Dairy and CBCP Assets, LLC and approve a Deposit and Reimbursement Agreement to cover the costs of annexing into CFD No. 2003 for a property located on the south side of Yosemite Avenue at Lake Road (University Village Merced - Lake).

RECOMMENDATION

City Council - Adopt a motion:

A. Accepting the Petitions for the Initiation of Proceedings for Establishment of a Community Facilities District from Fagundes Dairy, a General Partnership and CBCP Assets, LLC; and,

B. Approving the Deposit and Reimbursement Agreement submitted and appropriate the funds from the deposit to Fund 150 to reimburse the City for Community Facilities District formation and related expenditures; and,

C. Authorizing the City Manager or Assistant City Manager to execute the Deposit and Reimbursement Agreement.

Clerk's Note: Item I.10. was pulled to be moved to the August 7th Council Meeting.

I.13.

SUBJECT: Consideration of a City Loan Commitment Agreement with the Merced Gateway Investors II, LP for the Development of Gateway Terrace II Apartments

REPORT IN BRIEF

Request to authorize a commitment of financial assistance to Gateway Terrace II Apartments for up to \$1,385,000 from HOME Investment Partnership, Community Housing Development Organization, and Community Development Block Grant Funds.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving the City Loan Commitment Agreement for Gateway Terrace II Apartments in the amount of \$1,385,000 with Merced Gateway Investors II, LP (Attachment 3); and,

B. Approving an Interdepartmental Cooperative Agreement (Attachment 4) between the Engineering Division and Housing Division in the amount not to exceed \$526,738 as identified in the 2017 Department of Housing and Urban Development (HUD) Annual Plan with Community Development Block Grant (CDBG) funds from the 2017/18 Fiscal Year; and,

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

Mayor MURPHY pulled this item to ask for the number of units and the low-to-moderate income breakdown.

Housing Program Supervisor Mark HAMILTON discussed the number of units that will be allocated for homeless Veterans using the HUD voucher and for the low-to-moderate income households.

Rick MCMILLION, Merced - asked about other buildings that could be converted into student housing.

City Manager Steve CARRIGAN explained that there will be a future conversation about other buildings that could qualify for student housing.

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

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

No: 0

Absent: 1 - Council Member McLeod

J. BUSINESS

J.1. **SUBJECT: Bicycle Advisory Commission Appointments (2)**

REPORT IN BRIEF

Consider accepting nominations and appointing two individuals to the Bicycle Advisory Commission.

RECOMMENDATION

City Council - Adopt a motion accepting nominations and appointing two applicants to serve on the Bicycle Advisory Commission with term expiration dates of July 1, 2021.

A motion was made by Mayor Pro Tempore Blake, seconded by Council Member Belluomini, to appoint Steven Lerer and Greg Friedman to the Bicycle Advisory Commission. The motion carried by the following vote:

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

No: 0

Absent: 1 - Council Member McLeod

J.2. **SUBJECT: Recreation and Parks Commission Appointments (4)**

REPORT IN BRIEF

Consider accepting nominations and appointing individual(s) to the Recreation and Parks Commission.

RECOMMENDATION

City Council - Adopt a motion accepting nominations and appointing two individuals to serve as members of the Recreation and Parks Commission until July 2018, and two individuals to serve as members until July 2021.

Council Member BELLUOMINI discussed the candidates.

Council Member SERRATTO stated he was impressed with the applicants.

Yesenia CURIEL, Merced - spoke on her interest in joining the Recreation and Parks Commission.

Council Member BELLUOMINI asked Ms. CURIEL about her experience in recreation and her involvement in community services in Merced.

A motion was made by Council Member Serratto, seconded by Council Member

**Belluomini, to approve the applicants to the Recreation and Parks Commission.
The motion carried by the following vote:**

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

No: 0

Absent: 1 - Council Member McLeod

J.3.

SUBJECT: Personnel Board Appointments (2)

REPORT IN BRIEF

Consider appointing two individuals to the Personnel Board.

RECOMMENDATION

City Council - Adopt a motion appointing Terri Lucas to serve as a member of the Personnel Board to a seat with a term expiration of July 1, 2019, and appointing Fred Buckingham to a seat with a term expiration of July 1, 2021.

A motion was made by Council Member Pedrozo, seconded by Mayor Pro Tempore Blake, to appoint Terri Lucas and Fred Buckingham to the Personnel Board. The motion carried by the following vote:

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

No: 0

Absent: 1 - Council Member McLeod

J.4.

SUBJECT: Designation of Voting Delegate and Alternates for the 2017
League of California Cities Annual Conference - Annual Business
Meeting, September 13 - September 15, 2017, Sacramento, CA

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, September 15, 2017 in Sacramento, CA.

A motion was made by Mayor Murphy, seconded by Mayor Pro Tempore Blake, to designate Council Member Martinez as the voting delegate for the League of

California Cities Annual Conference, with Council Member Serratto as an alternate and Mayor Murphy as the second alternate. The motion carried by the following vote:

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

No: 0

Absent: 1 - Council Member McLeod

J.5.

SUBJECT: City Council Committee Appointment - Integrated Regional Water Management Authority Board (IRWM)

REPORT IN BRIEF

Confirms City Council Member appointment to the IRWM.

RECOMMENDATION

City Council - Adopt a motion confirming the Mayor's nomination to appoint one Council Member to the Integrated Regional Water Management Authority Board as well as two alternates.

A motion was made by Mayor Murphy, seconded by Mayor Pro Tempore Blake, to appoint Mayor Murphy to the Integrated Regional Water Management Authority Board, with Council Member Serratto as an alternate and Council Member Pedrozo as a second alternate. The motion carried by the following vote:

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

No: 0

Absent: 1 - Council Member McLeod

J.6. Request to Add Item to Future Agenda

Mayor Pro Tempore BLAKE requested to add an item on an ordinance for illegal fireworks.

Council Member SERRATTO requested to add an item on the Youth Connect for the September 5th meeting.

J.7. City Council Comments

Mayor Pro Tempore BLAKE thanked the Merced Police Department for all their hard work.

Council Member MARTINEZ spoke on connecting to the community and making the City of Merced better.

Council Member PEDROZO thanked the SAFE Program for the donation. He also spoke about the police, the incident at the Hookah Lounge and the UC Students who spoke.

Council Member BELLUOMINI thanked the people who spoke during the time for public comment.

City Manager Steve CARRIGAN spoke on the ongoing investigation of the Hookah Lounge incident and stated that, once the investigation was complete, the information would be made public.

Mayor MURPHY spoke on the protests and the way the Police Department handled the protests. He reported on meeting with the students who are participating in the Summer at City Hall Program. He spoke about Tony SLATON changing his position at the Boys and Girls Club from Executive Director to being in charge of programming. He also spoke on the programming for Recreation and Parks.

Clerk's Note: Council adjourned back into Closed Session at 8:25 PM.

Clerk's Note: Council adjourned from Closed Session at 8:47 PM. There was no report out of Closed Session.

K. ADJOURNMENT

Clerk's Note: The Regular Meeting adjourned at 8:48 PM.

A motion was made by Council Member Pedrozo, seconded by Mayor Pro Tempore Blake, that the Regular Meeting be adjourned. The motion carried by the following vote:

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

No: 0

Absent: 1 - Council Member McLeod