



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

Tuesday, January 16, 2018

6:00 PM

A. CLOSED SESSION ROLL CALL

Present: 5 - Council Member Michael Belluomini, Council Member Anthony Martinez, Council Member Joshua Pedrozo, Council Member Matthew Serratto, and Mayor Mike Murphy

Absent: 2 - Mayor Pro Tempore Jill McLeod, and Council Member Kevin Blake

B. CLOSED SESSION

Mayor MURPHY called the Closed Session to order at 5:04 PM.

B.1. **SUBJECT:** CONFERENCE WITH LABOR NEGOTIATORS -- Agency Designated Representative: City Manager Steve Carrigan; Employee Organization: American Federation of State, County, and Municipal Employees (AFSCME) Council 57; Local 2703; International Association of Fire Fighters, Local 1479; Merced Association of City Employees (MACE). AUTHORITY: Government Code Section 54957.6

B.2. **SUBJECT:** CONFERENCE WITH LABOR NEGOTIATORS -- Agency Designated Representative: City Manager Steve Carrigan; Unrepresented Management AUTHORITY: Government Code Section 54957.6

B.3. **SUBJECT:** PUBLIC EMPLOYMENT - Title: City Attorney; Authority: Government Code Section 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: 2 Cases

B.5. **SUBJECT:** PUBLIC EMPLOYEE APPOINTMENT - Title: Finance Officer; AUTHORITY: Government Code 54957

Clerk's Note: Mayor Pro Tempore MCLEOD arrived to Closed Session at 5:52 PM.

Clerk's Note: Council adjourned from Closed Session at 5:58 PM.

C. CALL TO ORDER

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

C.1. Invocation - Bruce Metcalf, Rescue Mission

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

C.2. Pledge Allegiance to the Flag

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

D. ROLL CALL

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

Absent: 1 - Council Member Kevin Blake

D.1. In accordance with Government Code 54952.3, it is hereby announced that the City Council sits either simultaneously or serially as the Parking Authority and the Public Financing and Economic Development Authority. City Council members receive a monthly stipend of \$20.00 by Charter for sitting as the City Council; and the Mayor receives an additional \$50.00 each month as a part of the adopted budget and Resolution 1975-37. The members of the Parking Authority and the Public Financing and Economic Development Authority receive no compensation.

E. REPORT OUT OF CLOSED SESSION

Mayor MURPHY stated that there was no report out of Closed Session and that Council would continue the Closed Session after the Regular Meeting.

F. WRITTEN PETITIONS AND COMMUNICATIONS

There were none.

G. ORAL COMMUNICATIONS

Sue Bangon EMANIVONG, Merced - spoke on the past events and future events in the City.

Bruce METCALF, Merced - spoke on a family that received housing from the Housing Program.

H. CONSENT CALENDAR

Items H.3. Maintenance Districts Assessment Ballot Proceeding - Northwood Village, East College Homes, Moss Landing & Ridgeview Meadows and H.4. Vacation #17-02 - Setting a Public Hearing to Vacate a

40-Foot-Wide "Avenue" Generally Located at the Northeast Corner of Childs Avenue and Kibby Road and the Southeast Corner of East Highway 140 and Kibby Road were pulled for separate consideration.

Approval of the Consent Agenda

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

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

No: 0

Absent: 1 - Council Member Blake

H.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.

H.2. **SUBJECT:** City Council/Public Financing and Economic Development/Parking Authority Meeting Minutes of December 18, 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 December 18, 2017.

This Consent Item was approved.

H.5. **SUBJECT:** Consideration of the Second Amendment to the Berliner Cohen, LLP Contract for Interim City Attorney and Interim Legal

Services

REPORT IN BRIEF

Consider authorizing a Second Amendment to the Agreement with Berliner Cohen, LLP to provide Interim City Attorney Services.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving the Second Amendment to the Agreement for Interim Legal Services for Interim City Attorney Services with Berliner Cohen, LLP, and;

B. Approving a Supplemental Appropriation from the General Fund unencumbered, unreserved Fund Balance and 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 Agreement for Interim Legal Services with Berliner Cohen, LLP.

This Consent Item was approved.

H.3.

SUBJECT: Maintenance Districts Assessment Ballot Proceeding - Northwood Village, East College Homes, Moss Landing & Ridgeview Meadows

REPORT IN BRIEF

Consider authorizing an assessment ballot proceeding and setting a public hearing for Monday, March 19, 2018, for the Northwood Village, East College Homes, Moss Landing, and Ridgeview Meadows Maintenance Districts, to obtain property owner approval in advance of increase in annual levy assessments.

RECOMMENDATION

City Council - Adopt a Motion:

A. Adopting **Resolution 2018-04**, a Resolution of the City Council of the City of Merced, California authorizing an assessment ballot proceeding for the Northwood Village, East College Homes, Moss Landing, and Ridgeview Meadows Maintenance Districts, and;

B. Setting the public hearing for Monday, March 19, 2018, to obtain

property owner approval prior to the increase in annual assessment levy to cover operation and maintenance costs to each identified District; and,

C. Approving a supplemental budget appropriation from the Unreserved Fund Balance of the General Fund in the amount not to exceed \$1,990, to cover the assessment balloting noticing costs.

Council Member BELLUOMINI pulled this item to ask for clarification on the location of the landscaping in the maps.

Director of Public Works Ken ELWIN stated that the map will be updated to show the location of the landscaping.

Council Member BELLUOMINI suggested making the questions in the letter more understandable.

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

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

No: 0

Absent: 1 - Council Member Blake

H.4.

SUBJECT: Vacation #17-02 - Setting a Public Hearing to Vacate a 40-Foot-Wide "Avenue" Generally Located Along the East Property Line of Two Parcels Generally Located at the Northeast Corner of Childs Avenue and Kibby Road and the Southeast Corner of East Highway 140 and Kibby Road

REPORT IN BRIEF

Set a public hearing for February 20, 2018, to vacate a 40-foot-wide "Avenue" on two parcels generally located at the northeast corner of Childs Avenue and Kibby Road and the southeast corner of East Highway 140 and Kibby Road.

RECOMMENDATION

City Council - Adopt a motion adopting **Resolution 2018-03**, a Resolution of the City Council of the City of Merced, California declaring its intention to vacate a 40-foot-wide "Avenue" located along the eastern property line of three parcels generally located at the northeast

corner of Childs Avenue and Kibby Road and the southeast corner of East Highway 140 and Kibby Road (Vacation #17-02) setting time and place for public hearing.

Council Member Martinez pulled this item to request a report.

Director of Development Services Scott MCBRIDE gave a brief report on setting a Public Hearing to vacate a 40-foot-wide "avenue" located at Childs Avenue and Kibby Road.

Council Member MARTINEZ asked about future development.

Mr. MCBRIDE stated that the City is working on applications from PG&E.

A motion was made by Council Member Martinez, 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, Mayor Pro Tempore McLeod, Council Member Pedrozo, Council Member Serratto, and Mayor Murphy

No: 0

Absent: 1 - Council Member Blake

I. PUBLIC HEARINGS

I.1.

SUBJECT: Vacation #17-01 - Submitted by Janet W. Bloed, Trustee, for the Abandonment of an Old Public Utilities Easement at 1297 Ahwahnee Drive.

REPORT IN BRIEF

The City Council will consider the abandonment of an old 5-foot-wide public utilities easement near the eastern property line of 1297 Ahwahnee Drive.

RECOMMENDATION

City Council - Adopt a motion adopting **Resolution 2018-02**, a Resolution of the City Council of the City of Merced, California, ordering the vacation of a 5-foot-wide public utilities easement near the eastern property line of 1297 Ahwahnee Drive, approximately 850 feet east of Joerg Avenue (Vacation #17-01).

Planning Manager Kim ESPINOSA gave a brief report on Vacation #17-01, Abandonment of an Old Public Utilities Easement at 1297 Ahwahnee Drive.

Mayor MURPHY opened and subsequently closed the Public Hearing at 6:22 PM due to lack of public comment.

Council Member BELLUOMINI asked about access to the property.

Ms. ESPINOSA stated that the access is from Yosemite Avenue and Parsons Avenue.

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

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

No: 0

Absent: 1 - Council Member Blake

J. REPORTS

J.1.

SUBJECT: Applegate Park Rose Garden Improvements

REPORT IN BRIEF

Requests Council direction on proposed improvements, including replacing irrigation lines, replanting rose bushes and repairing Laura's Fountain at the Rose Garden located at Applegate Park.

RECOMMENDATION

Provide direction to staff on how to proceed with the proposed Rose Garden improvements.

Director of Public Works Ken ELWIN gave a slide show presentation on Applegate Park Rose Garden Improvements.

Council and Staff discussed the planting of the roses, historical significance, volunteers, plan preparations for the irrigation of the roses, rose maintenance, repairing the base of the fountain, and the cost of a subsurface analysis.

Alan CLAUNCH, Merced - spoke on the irrigation and planting of the roses at Laura's Fountain.

Dwight WIGLEY, Merced - spoke on restoring Laura's Fountain.

Council discussed going out to bid for an analysis of the fountain, appropriating funds for analysis, and public involvement.

Terry RAWR, Merced - spoke on volunteers maintaining the rose garden. She also spoke on pruning and weeding of the roses.

Ron COOK, Merced - spoke on the park department maintaining the roses during the summer months.

Ruth WAX, Merced - spoke on the commitment of residents to help maintain the roses and the responsibility the City has with parks. She also spoke on using the Merced Gardens Nursery to purchase the roses.

Council and staff discussed the proposed options to irrigate and plant the roses.

A motion was made by Council Member Belluomini, seconded by Mayor Pro Tempore McLeod, approving option one, hiring a landscaping contractor to complete all work associated with irrigation improvements and planting roses, approving a supplemental appropriation for \$20,000, and giving the Interim Finance Officer authority to find funding sources not in the general fund. The motion carried by the following vote:

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

No: 0

Absent: 1 - Council Member Blake

A motion was made by Council Member Pedrozo, seconded by Council Member Belluomini, to approve \$5,000 for a geotechnical engineering and planning for the fountain. The motion carried by the following vote:

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

No: 0

Absent: 1 - Council Member Blake

Clerk's Note: Council recessed at 7:53 PM and returned at 8:06 PM.

J.2.

SUBJECT: Adoption of Merit-Based Selection Criteria for Commercial Cannabis Business Permits (Limited Number of Permits Available)

REPORT IN BRIEF

The City Council is being asked to adopt, by resolution, the Merit-Based Selection Criteria for Commercial Cannabis Business Permits for which there are a limited number of permits available. Dispensaries/retail sales are limited to four in the recently adopted Ordinance.

RECOMMENDATION

City Council - Adopt a motion adopting **Resolution 2018-01**, a Resolution of the City Council of the City of Merced, California, approving Merit-Based Selection Criteria for Scoring Commercial Cannabis Business Permit Applications for which there are a limited number of permits available.

Planning Manager Kim ESPINOSA gave a slide show presentation on the Merit-Based Selection Criteria for Commercial Cannabis Business Permits.

Council and staff discussed Mutual Benefit Non-Profit Corporations and business experience.

Susan BOUSCARAN, Merced - spoke on Mutual Benefit Non-Profit Corporations. She also asked about a timeline for accepting applications.

Ms. ESPINOSA stated that the timeline will be announced at the January 26th cannabis workshop.

Zach DRIVON, Stockton - suggested a language change in the merit-based selection criteria.

Council, Mr. DRIVON, and Staff discussed amending the Mutual Benefit Non-Profit Corporation section of the merit-based selection criteria and reallocating the points.

Mike WARDA, Merced - spoke on successful cannabis business operations.

Mayor MURPHY and Mr. WARDA discussed determining what a successful cannabis business is.

Rick MUMMERT, Escalon - suggested recommendations to the merit-based selection criteria.

Javier CHAVEZ, Merced - asked if the public had access to the

merit-based selection criteria.

Director of Development Services Scott MCBRIDE stated that once the merit-based selection criteria are approved by Council, they will be available to the public.

Ron ROBERTS, Oakdale - spoke on honest and successful business operators.

Susan BOUSCARAN, Merced - spoke on taxes and state guidelines.

Council and staff continued discussing the merit-based selection criteria and the cannabis ordinance.

A motion was made by Council Member Pedrozo, seconded by Mayor Pro Tempore McLeod, to approve the merit-based selection criteria with amendments. The motion carried by the following vote:

Aye: 5 - Council Member Martinez, Mayor Pro Tempore McLeod, Council Member Pedrozo, Council Member Serratto, and Mayor Murphy

No: 1 - Council Member Belluomini

Absent: 1 - Council Member Blake

J.3.

SUBJECT: Report on Local Business Preference Policy

REPORT IN BRIEF

Consider Council direction to have a policy that allows for a local preference when purchasing goods and services from vendors.

RECOMMENDATION

Provide staff direction on the attached draft ordinance and draft resolution regarding a Local Business Preference Policy concerning purchasing goods and services from local vendors.

Interim City Attorney Jolie HOUSTON gave a brief report on Local Business Preference Policy.

A motion was made by Council Member Belluomini, seconded by Council Member Pedrozo, directing staff to prepare a draft ordinance for the February 5th meeting. The motion carried by the following vote:

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

No: 0

Absent: 1 - Council Member Blake

J.4. **SUBJECT: Update on Public Facilities Projects**

REPORT IN BRIEF

At the request of Council Member Belluomini, staff are presenting an update on the Public Facilities projects and next steps moving into 2018.

RECOMMENDATION

Provide staff with further direction on Public Facilities Projects.

Council Member BELLUOMINI gave a brief report on a timeline for a new police and fire station.

Assistant City Manager Stephanie DIETZ gave a slide show presentation on Public Facilities Projects.

Council and Staff discussed the future of the "Sun-Star" building, hiring a financial advisor, educating the public, and a ballot measure timeline.

Clerk's Note: Staff will bring this item back at the February 20th Council Meeting.

K. BUSINESS

K.1. Request to Add Item to Future Agenda

There were no items added.

K.2. City Council Comments

Council Member MARTINEZ reported on attending the Martin Luther King Jr. Event.

Council Member SERRATTO reported on attending the Martin Luther King Jr. Event and a park cleanup.

Council Member BELLUOMINI reported on attending the Martin Luther King Jr. Event. He thanked Staff and Council for their condolences regarding the passing of his sister.

Council Member PEDROZO reported on attending the Martin Luther King Jr. Event. He spoke on the upcoming Poppies Galore Event.

Mayor MURPHY reported on attending the Martin Luther King Jr. Event. He also spoke on the upcoming State of the City Event.

Clerk's Note: Council adjourned to Closed Session at 9:45 PM.

Clerk's Note: Council adjourned from Closed Session at 10:30 PM.

Clerk's Note: There was no report out of Closed Session.

L. ADJOURNMENT

Clerk's Note: The Regular Meeting was adjourned at 10:33 PM.

A motion was made by Council Member Pedrozo, seconded by Council Member Belluomini, to adjourn the Regular Meeting. The motion carried by the following vote:

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

No: 0

Absent: 1 - Council Member Blake