



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, February 16, 2021

6:00 PM

A. CLOSED SESSION ROLL CALL

Present: 7 - Mayor Matthew Serratto, Mayor Pro Tempore Kevin Blake, Council Member Fernando Echevarria, Council Member Delray Shelton, Council Member Bertha Perez, Council Member Jesse Ornelas, and Council Member Sarah Boyle

Absent: 0

B. CLOSED SESSION

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

Clerk's Note: Council Members BOYLE and SHELTON arrived to the Closed Session at 5:06 PM. Council Member PEREZ arrived to the Closed Session at 5:07 PM.

- B.1.** **SUBJECT:** CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION Significant Exposure to Litigation pursuant to Government Code section 54956.9(d)(2): (1) case
- B.2.** **SUBJECT:** CONFERENCE WITH REAL PROPERTY NEGOTIATORS - Property: Surface Water Purchase, Merced, CA; Agency Negotiator: Stephanie Dietz, City Manager, City of Merced; Negotiating Parties: Merced Irrigation District and City of Merced and; Under Negotiation: Price and Terms of Payment
- B.3.** **SUBJECT:** CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION Pursuant to Paragraph (1) of Subdivision (d) of Government Code section 54956.9, Name of Case: In the Matter of the Inspection of 1050 Rambler Road Merced County Superior Court Case No. 20CV-00847

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

C. CALL TO ORDER

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

C.1. Invocation - Maggie Fuentes, Chaplain for the Merced Police Department

The invocation was delivered by Maggie FUENTES, Chaplain from the Merced Police Department.

C.2. Pledge of Allegiance to the Flag

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

D. ROLL CALL

Present: 7 - Mayor Matthew Serratto, Mayor Pro Tempore Kevin Blake, Council Member Fernando Echevarria, Council Member Delray Shelton, Council Member Bertha Perez, Council Member Jesse Ornelas, and Council Member Sarah Boyle

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

Mayor SERRATTO stated there was no report but that Council would return to Closed Session at the end of the Regular Meeting.

F. WRITTEN PETITIONS AND COMMUNICATIONS

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

Oral Communications - Jeff HENENFENT and Monika DONABED.

Item J.1 - Ya MOUA, Leanne BAKER, Katherine CORONADO, Tami DAVIDSON, Priscilla GUERRA, Alejandro JURADO, Nathaniel MITCHELL, Graciela MORENO, and Kou XIONG.

Item J.3. - Chad ENGLERT.

Item J.4. - Stephen PECK.

G. ORAL COMMUNICATIONS

Clerk's Note: The following comment was provided via voicemail.

Jennifer XIONG, New Hmong Center - spoke on the recent Virtual Town

Hall Meeting and Covid-19 distributions among ethnic groups.

H. CONSENT CALENDAR

Item H.7. Approval of a Lease Agreement for the Stephen Leonard Youth Center With the Soccer Academy of Merced, Inc. and a Lease Agreement for McNamara Youth Center With Symple Equazion Until June 30, 2021 With In-Kind Services In-Lieu of Rent; was pulled for separate consideration.

Approval of the Consent Agenda

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

Aye: 7 - Mayor Serratto, Mayor Pro Tempore Blake, Council Member Echevarria, Council Member Shelton, Council Member Perez, Council Member Ornelas, and Council Member Boyle

No: 0

Absent: 0

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: Information Only - Planning Commission Minutes of December 9, 2020, and January 6, 2021**

RECOMMENDATION

For information only.

This Consent Item was approved.

H.3. **SUBJECT: Approval of City Council/Public Financing and Economic Development/Parking Authority Meeting Minutes of October 19, November 2, November 5, November 10, and**

November 23, 2020

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 October 19, November 2, November 5, November 10, and November 23, 2020.

This Consent Item was approved.

H.4.

SUBJECT: Award of Bid and Approval of Construction Contract with Global Road Sealing, Inc., in the Amount of \$137,113.00, for Crack Filling Various Locations, Phase 1, Project No. 120008

REPORT IN BRIEF

Considers awarding a construction contract in the amount of \$137,113.00 funded by SB1 Funds and Measure V Funds for City Project No. 120008 - Crack Filling Various Locations, Phase 1.

RECOMMENDATION

City Council - Adopt a motion:

A. Awarding the Crack Filling Various Locations, Phase 1, Project 120008, to Global Road Sealing, Inc. in the amount of \$137,113.00 and,

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

This Consent Item was approved.

H.5.

SUBJECT: Approval of a Ground Lease Between the City of Merced and Holding Pattern, LLC for Development of a Private Hangar on Approximately 10,000 Square Feet of Land on the Merced Regional Airport with Rent Starting at \$3,100.00 per Year for a Term of Thirty (30) Years, with an Option Term of Fifteen (15) Years

REPORT IN BRIEF

Considers a lease agreement (30-year term with 15-year option) with Holding Pattern, LLC for use of approximately 10,000 square feet located on the Merced Regional Airport for development of a private aircraft hangar.

RECOMMENDATION

City Council - Adopt a motion approving a lease agreement between Holding Pattern, LLC and the City of Merced for ground space at the Merced Regional Airport and, authorizing the City Manager or designee to execute all necessary documents.

This Consent Item was approved.

H.6.

SUBJECT: Approval of Amendment to Fiscal Year 2019/20 Agreement with Merced Zoological Society to Reduce Minimum Contribution of \$75,000 to \$42,183.50, the Total Gate Fees Collected at Applegate Park Zoo, Due to the COVID-19 Pandemic Shutdown

REPORT IN BRIEF

Considers approval of amendment to FY 19-20 agreement with Merced Zoological Society to reduce the contracted contribution amount of \$75,000 to \$42,183.50, total gate fees collected in FY 19-20 due to the COVID-19 pandemic shutdown, and reduction of \$32,816.50 contract balance.

RECOMMENDATION

City Council - Adopt a motion:

- A. Approving the amendment with the Merced Zoological Society to reduce the contract amount from \$75,000 to \$42,183.50, gate fees collected in FY 19-20; and,
- B. Reducing the remaining contract balance of \$32,816.50; and,
- C. Authorizing the City Manager or designee to execute the necessary documents.

This Consent Item was approved.

H.8.

SUBJECT: Approval of First Amendment to Revocable License Agreement Between the City of Merced and the Superior Court of California, County of Merced, for Rental of the Merced Senior

Community Center from April 1, 2021, Through June 30, 2021 for
Jury Selection and Jury Trials and Approve the Facility Rental Rate
in the Amount of \$300 Per Month

REPORT IN BRIEF

Considers approving the first amendment to revocable license agreement between the City of Merced and the Superior Court of California, County of Merced, for rental of the Merced Senior Community Center for jury selection and jury trials.

RECOMMENDATION

City Council - Adopt a motion:

- A. Approving the first amendment to revocable license agreement to rent the Merced Senior Community Center to the Superior Court of California, Merced County from August 1, 2020, through June 30, 2021; and,
- B. Approving the facility rental rate of \$300 per month; and,
- C. Authorizing the City Manager or designee to execute the contract.

This Consent Item was approved.

H.7.

SUBJECT: Approval of a Lease Agreement for the Stephen Leonard Youth Center With the Soccer Academy of Merced, Inc. and a Lease Agreement for McNamara Youth Center With Symple Equazion Until June 30, 2021 With In-Kind Services In-Lieu of Rent

REPORT IN BRIEF

Proposed lease agreements with the Soccer Academy of Merced, Inc for the youth center at Stephen Leonard Park (640 T Street) and Symple Equazion for the youth center at McNamara Park (1040 Canal Street) until June 30, 2021. Instead of paying rent, the organizations will provide in-kind services.

RECOMMENDATION

City Council - Adopt a motion:

- A. Approving the lease agreement between the City of Merced and Soccer Academy of Merced, Inc., for the Stephen Leonard Park youth center located at 640 T Street; and,

B. Approving the lease agreement between the City of Merced and Symple Equazion for the McNamara Youth Center located at 1040 Canal Street; and,

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

Council Member ORNELAS pulled this item to clarify the non profit status of the lessees.

Acting Director of Parks and Community Services Frank QUINTERO clarified the non profit status of the lessees.

A motion was made by Mayor Pro Tempore Blake, 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 Blake, Council Member Echevarria, Council Member Shelton, Council Member Perez, Council Member Ornelas, and Council Member Boyle

No: 0

Absent: 0

I. PUBLIC HEARINGS

I.1.

SUBJECT: Public Hearing - to Consider Approving Environmental Review #20-20 (CEQA Section 15162 Findings) and Approving Amendments to Resolution 2015-33 Which Includes, but is not Limited to, Modifications to the Findings and Conditions of Approval for Conditional Use Permit #1200 to Allow the Construction of a Part-Width Street for Merrill Place, East of G Street, Submitted by Rick Telegan, on Behalf of BP Investors, LLC for the Apartment Complex on the Approximately 9.8 Acre Parcel Generally Located on the North Side of Merrill Place (Extended)

REPORT IN BRIEF

This is a request to modify certain Findings and Conditions of City Council Resolution No. 2015-33 approving Conditional Use Permit (CUP) #1200. The requested modifications would allow a portion of Merrill Place, east of G Street, to be constructed as a part-width street until the necessary right-of-way is dedicated to allow the full roadway width to be constructed subject to certain conditions.

RECOMMENDATION

City Council - Adopt a motion adopting Amended Resolution 2015-33,

A Resolution of the City Council of the City of Merced, California, approving Environmental Review #20-20 (CEQA Section 15162 Findings), and approving amendments to Resolution 2015-33 which includes, but is not limited to, modifications to the Findings and Conditions of Approval for Conditional Use Permit #1200 to allow the construction of a part width street for Merrill Place, East of G Street, for the apartment complex on a 9.8 acre parcel generally located on the north side of Merrill Place (extended).

Mayor SERRATTO announced that the Public Hearing would be continued to the March 1, 2021 City Council Meeting per an agreement with all parties involved.

Clerk's Note: No formal Council action was taken on this item.

I.2.

SUBJECT: Public Hearing to Consider Adoption of a Resolution Approving Amendment #3 to the Program Year 2019-2020 Annual Action Plan to Allocate Additional Community Development Block Grant - Coronavirus (CDBG-CV) Funds Made Available Through Third-Round Allocations of the Coronavirus Aid, Relief, and Economic Security (CARES) Act in the Amount of Approximately \$532,327 for Public Services Activities Including, but not Limited to, Rent, Mortgage, Utility and Food Assistance; and, Opportunity for Public Comment and Participation and Awarding the Funding as Directed by Council

REPORT IN BRIEF

Considers a second substantial amendment to the 2019 Annual Action Plan for allocation of additional Third-Round HUD CDBG-CV funds to prevent, prepare for, and respond to the COVID-19 Coronavirus; and, provides an opportunity for the public to provide input during the public hearing as to the use of these funds towards the immediate community needs that were previously identified in the first round of CARES Act allocations.

RECOMMENDATION

City Council - Adopt a motion:

A. Adopting **Resolution 2021-08**, a Resolution of the City Council of the City of Merced, California, approving Amendment #3 to the Program Year 2019-2020 Annual Action Plan allocating additional U.S. Housing and Urban Development CDBG-CV funds made available through Third-Round allocations of the Coronavirus Aid, Relief, and Economic Security Act; authorizing the City Manager to execute any related documents and/or subrecipient agreements resulting from this allocation; certifying

compliance with the requirements of the Community Development Block Grant (CDBG) Program, and authorizing staff to submit all approved documents to the U.S. Department of Housing and Urban Development; and,

B. Approving Amendment #3 (Second Substantial Amendment) to the Program Year 2019-2020 Annual Action Plan to add the additional \$532,327 of anticipated CDBG-CV funding resources allocated to the City by HUD and to appropriate the balance of these additional funds towards the existing Public Service activities of Subsistence Payments (rent/mortgage/utility assistance) and Food Bank Assistance; and,

C. Unless the Council provides alternative direction, awarding the following recommended additional funding of Public Services for Coronavirus response: 1) \$216,164 to Sierra Saving Grace Homeless Project for the existing rent, mortgage, and utility assistance program; 2) \$216,163 to the Salvation Army for the existing rent, mortgage, and utility assistance program; and 3) \$100,000 to the Merced County Food Bank for the existing Food Bank Assistance program; and,

D. Authorizing the City Manager or designee to execute all necessary HUD-related documents and subsequent contractual subrecipient agreements for services in order to hasten implementation of the awarded funds; and,

E. Requesting staff return to the City Council with Information Only contracts as they are executed and implemented; and,

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

Development Services Director Scott MCBRIDE gave a brief overview of the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

Housing Program Supervisor Kim NUTT continued the presentation giving a summary of the community needs, projects that were funded with the first and second round of funding and the proposed uses for the third round of funding.

Council and Ms. NUTT discussed remaining funding and who citizens can contact for their needs.

Mayor SERRATTO opened and subsequently closed the Public Hearing at 6:34 PM due to lack of public comment.

A motion was made by Mayor Pro Tempore Blake, seconded by Council Member

Perez, to adopt Resolution 2021-08. The motion carried by the following vote:

Aye: 7 - Mayor Serratto, Mayor Pro Tempore Blake, Council Member Echevarria, Council Member Shelton, Council Member Perez, Council Member Ornelas, and Council Member Boyle

No: 0

Absent: 0

J. REPORTS

J.1.

SUBJECT: Report to Consider and Accept, Modify or Reject the Recreation and Parks Commission Recommendations to the Merced City Council to Name Three Parks Including: 11th and H Street Park, Proposed Name, Little Angels Park/Parque De Los Angelitos, Circle Drive Park Located at Circle Drive and 23rd Street, Proposed Name Staff Sergeant Frank Joseph Gasper Park, and the Future Park Site Unofficially Called Fahrens Creek Park Site Located at Freemark Avenue and Heitz Way, Proposed Named General Vang Pao Park With the Future Playground at the Same Site to be Named Aletha June Playground

REPORT IN BRIEF

Considers accepting the Recreation and Park Commission's recommendations to name three parks including two mini parks and one future park site.

RECOMMENDATION

City Council - Adopt a motion:

- A. Naming the mini park located at 11th and H Street, Little Angels Park/Parque De Los Angelitos as recommended by the Recreation and Parks Commission; and,
- B. Naming the mini park located at Circle Drive and 23rd Street, Staff Sergeant Frank Joseph Gasper Park as recommended by the Recreation and Parks Commission; and,
- C. Naming the future park site located at Freemark Avenue and Heitz Way, General Vang Pao Park, with the future playground at the same site to be named Aletha June Playground as recommended by the Recreation and Parks Commission; and,
- D. Authorizing the City Manager or designee to execute the necessary

documents.

Acting Director of Parks and Community Services Frank QUINTERO gave a brief report on the Recreation and Parks Commission's recommendation to name three neighborhood community parks and a playground within the City of Merced.

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

Belynn MEDINA - spoke in favor of Frank Joseph Gasper Park.

Barbara BELL - spoke in favor of Sgt. Frank Gasper Park.

Jamie FORMBY - spoke in favor of Frank Gasper Park.

Lou VANG - spoke in favor of General Vang Pao Park.

Michela STANLEY - spoke in favor of Frank Gasper Park.

Kelly Marie SHEPPARD - spoke in favor Sgt. Frank Joseph Gasper Park.

Jonas VANGAY - spoke in favor of General Vang Pao Park.

Eric BURNELL - spoke in favor of Aletha June Playground.

Frank MIRANDA - spoke in favor of Frank Gasper Park.

Monica SANCHEZ - spoke in favor of Frank Gasper Park.

Justin KIRK - spoke in support of Aletha June Playground.

Alice MITCHELL - spoke in favor of Frank Gasper, Jr. Park.

Alena ABARCA - spoke in favor of Frank Joseph Gasper Park.

Carrie WALKER - spoke in favor of Frank Joseph Gasper Park.

Kay SEARS - spoke in favor of Staff Sergeant Frank Gasper Park.

Resident - spoke in favor of Sergeant Frank Gasper Park.

Connie HEIL - spoke in favor Sergeant Frank Joseph Gasper Park.

Shelly CORREA - spoke in favor of Frank Joseph Gasper Park.

Mark SHELBY - spoke in favor of Aletha June Playground.

Rosanna GAMEZ - spoke in favor of Frank Joseph Gasper Park.

Peggy PALMER - spoke in favor of Frank Gasper Park.

Clerk's Note: Council voted on the park names in two separate motions to allow Council Member ORNELAS to abstain from the vote on Little Angels Park/Parque De Los Angelitos due to his involvement in the application.

A motion was made by Mayor Pro Tempore Blake, seconded by Council Member Shelton, to name the park located at 11th and H Streets to Little Angels Park/Parque De Los Angelitos. The motion carried by the following vote:

Aye: 6 - Mayor Serratto, Mayor Pro Tempore Blake, Council Member Echevarria, Council Member Shelton, Council Member Perez, and Council Member Boyle

No: 0

Absent: 0

Abstain: 1 - Council Member Ornelas

A motion was made by Mayor Pro Tempore Blake, seconded by Council Member Boyle, to name the park located at Circle Drive and 23rd Street Staff Sergeant Frank Joseph Gasper Park and to name the park located at Freemark Avenue and Heitz Way General Vang Pao Park and to dedicate the playground in said park as Aletha June Playground. The motion carried by the following vote:

Aye: 7 - Mayor Serratto, Mayor Pro Tempore Blake, Council Member Echevarria, Council Member Shelton, Council Member Perez, Council Member Ornelas, and Council Member Boyle

No: 0

Absent: 0

J.2.

SUBJECT: Report to Consider and Accept, Modify or Reject the Regional Airport Authority Recommendation Regarding a Proposed Modification to the Name of the Merced Regional Airport, as Requested by the Merced City Council, to Merced Yosemite Regional Airport or Merced Yosemite Airport

REPORT IN BRIEF

The Regional Airport Authority has considered and voted unanimously to recommend to the Merced City Council possible new names for the

Merced Regional Airport including Merced Yosemite Regional Airport and Merced Yosemite Airport.

RECOMMENDATION:

City Council - Adopt a Motion:

A. Selecting one of the two Airport recommended name changes, Merced Yosemite Regional Airport or Merced Yosemite Airport, as provided by the Regional Airport Authority; and,

B. Directing staff to prepare a Resolution changing the name of the Airport to the selected name for subsequent City Council action.

Director of Economic Development Frank QUINTERO gave a brief overview of the Regional Airport Authority's recommendation to rename the Merced Regional Airport to the Merced Yosemite Regional Airport.

Airport Manager Martin PEHL briefly discussed the benefits of the name change.

A motion was made by Mayor Pro Tempore Blake, seconded by Council Member Ornelas, to rename the Merced Regional Airport to the Merced Yosemite Regional Airport. The motion carried by the following vote:

Aye: 7 - Mayor Serratto, Mayor Pro Tempore Blake, Council Member Echevarria, Council Member Shelton, Council Member Perez, Council Member Ornelas, and Council Member Boyle

No: 0

Absent: 0

J.3.

SUBJECT: Mid-Year Budget Review for Fiscal Year 2020-2021 and Quarterly Revenue Update for First Quarter of the Fiscal Year, Including Requests for Approval of Additions and Changes to Positions, General Fund Supplemental Appropriations and Budget Amendments in Various Funds Totaling \$883,052

REPORT IN BRIEF

Presents the Fiscal Year 2020-2021 Mid-Year Financial Report, provides a quarterly revenue update, and seeks approval of additions and changes to positions, General Fund Supplemental Appropriations and Budget Amendments in Various Funds totaling \$883,052.

RECOMMENDATION

City Council - Adopt a motion:

- A. Approving a Supplemental Appropriation from the unreserved, unencumbered fund balance in Fund 074-Economic Development Opportunity Fund in the amount of \$10,000 for the Business Grant Program; and,
- B. Approving the reduction of \$100,000 in Fund 672-Support Services Professional Services expense transferring to the General Fund and appropriating the same in the City Attorney's Professional Services account line to cover labor negotiations; and,
- C. Approving a Supplemental Appropriation from the unreserved, unencumbered fund balance in Fund 667-General Liability in the amount of \$600,000, transferring to the General Fund, and reducing proceeds from debt in the General Fund of \$600,000 due to RDA residual received and used for payment of the DOF Settlement Agreement; and,
- D. Approving the addition of a Deputy City Manager and the deletion of an Assistant City Manager in the City Manager's Department; and,
- E. Approving **Resolution 2021-11**, A Resolution of the City Council of the City of Merced, California, Adopting the Salary Range for the Deputy City Manager Position; and,
- F. Approving the addition of a Senior Management Analyst in the Development Services Department; and,
- G. Approving a Supplemental Appropriation from the unreserved, unencumbered fund balance in Fund 017-Development Services in the amount of \$44,000 due to the costs associated for recommendation F above; and,
- H. Approving the addition of two Building Inspector II positions in the Development Services Department and reducing Professional Services expense in the amount of \$61,141 to offset the cost through the end of Fiscal Year 2020-21; and,
- I. Approving the addition of one Development Services Technician I in the Development Services Department and reducing Professional Services expense in the amount of \$21,781 to offset the cost through the end of Fiscal Year 2020-21; and,
- J. Approving the addition of an Administrative Analyst and the deletion of an Accounting Technician in the Public Works Administration Division; and,

K. Approving the addition of two WWTP Maintenance Electrician/Mechanics and deletion of two WWTP Mechanics in the Wastewater Treatment Plant Division; and,

L. Approving the addition of two Maintenance Workers in the Public Works Street Trees Division; and,

M. Approving a Supplemental Appropriation from the unreserved, unencumbered fund balance of Fund 558-Refuse Operations in the amount of \$46,130 due to the costs associated for recommendation L above; and,

N. Approving **Resolution 2021-10**, A Resolution of the City Council of the City of Merced, California, amending the Classification Plan by updating the Personnel Allocation in the City Manager's Department by deleting one Assistant City Manager Position and adding one Deputy City Manager Position; The Development Services Department by adding two Building Inspector I/II positions, one Development Services Technician I/II position and one Senior Management Analyst position; and the Public Works Department by deleting one Accounting Technician position and adding one Administrative Analyst position, deleting two WWTP Mechanic II positions and adding two WWTP Maintenance Electrician/Mechanic positions and adding two Maintenance Worker positions; and,

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

Finance Officer Venus RODRIGUEZ gave a slideshow presentation updating the Council on the City's mid year budget including revenue, expenses, General Fund balances, projected property taxes, sales taxes, utility billing delinquencies, and the deletion and addition of various personnel for different departments.

Council and Ms. RODRIGUEZ discussed the budget, different personnel additions and deletions, and the transfer of funds between various account.

A motion was made by Mayor Pro Tempore Blake, seconded by Council Member Perez, to approve recommendations A through O as outlined in the staff report. The motion carried by the following vote:

Aye: 7 - Mayor Serratto, Mayor Pro Tempore Blake, Council Member Echevarria, Council Member Shelton, Council Member Perez, Council Member Ornelas, and Council Member Boyle

No: 0

Absent: 0

Council and Ms. RODRIGUEZ continued to discuss the mid year budget, agreed that the five-year forecast should return to Council in November, discussed potential cannabis tax revenue from Measure Y, the delinquent utility accounts, and agreed to leave certain positions unfunded until the next budget adoption.

J.4.

SUBJECT: City Council Discussion Regarding Annexation of UC Merced and Direction on Whether to Proceed with Initiation of Annexation of the UC Merced Campus in Accordance with the City/UC Annexation Agreement

REPORT IN BRIEF

The City Council will receive an overview of the City's relationship with UC Merced, review the pros and cons of annexing UC Merced, and provide direction to staff on whether to proceed with initiating the annexation.

RECOMMENDATION

Provide direction to staff on whether to initiate the annexation of the UC Merced campus per the terms of the annexation agreement.

Director of Development Services Scott MCBRIDE gave a brief overview of the annexation of the University of California (UC) Merced campus into the City of Merced.

Planning Manager Kim ESPINOSA discussed the history of the UC campus, the North Merced Annexation Study, current service agreements with the UC campus, legislation in place to assist with the annexation, potential tax benefits, and impacts on City services.

Clerk's Note: The following comment was provided via voicemail.

Sheng XIONG - spoke on the potential impacts of the annexation of the UC campus on disadvantaged communities.

Council, City Manager Stephanie DIETZ and Mr. MCBRIDE discussed the UC annexation, the North Merced Annexation Study, next steps in the process, sewer capacity needed, the affect on Council Districts, the annexation of neighboring properties, and City services needed by the UC campus after annexation.

A motion was made by Mayor Pro Tempore Blake, seconded by Council Member Echevarria, to move forward with the process of annexation of the UC Merced campus. The motion carried by the following vote:

Aye: 7 - Mayor Serratto, Mayor Pro Tempore Blake, Council Member Echevarria, Council Member Shelton, Council Member Perez, Council Member Ornelas, and Council Member Boyle

No: 0

Absent: 0

K. BUSINESS

K.1.

SUBJECT: Approval of the Finance Officer Employment Agreement for a Term of Five Years and Reaffirming and Adoption of a Resolution to Establish the Publicly Adopted Pay Scale for the Finance Officer

REPORT IN BRIEF

Considers the approval of the Finance Officer Employment Agreement for a term of five years and reaffirming and adoption of Resolution 2021-09 to establish the publicly adopted pay scale for the Finance Officer.

RECOMMENDATION

City Council - Adopt a motion:

A. Approving the Finance Officer Employment Agreement for a term of five years; and,

B. Adopting **Resolution 2021-09**, a Resolution of the City Council of the City of Merced, California amending the salary range for the City Finance Officer; and,

C. Authorizing staff to submit the adopted Resolutions to the California Public Employees' Retirement System (CalPERS) for confirmation of annual salary amounts and pay scales.

A motion was made by Mayor Pro Tempore Blake, seconded by Council Member Shelton, to approve the Finance Officer Employment Agreement and adopt Resolution 2021-09. The motion carried by the following vote:

Aye: 7 - Mayor Serratto, Mayor Pro Tempore Blake, Council Member Echevarria, Council Member Shelton, Council Member Perez, Council Member Ornelas, and Council Member Boyle

No: 0

Absent: 0

K.2.

SUBJECT: Discussion and Direction on the Format of the February 27, 2021 City Council Strategic Planning Session

REPORT IN BRIEF

Allow for City Council discussion and direction to staff on the desired format for the February 27, 2021 City Council Strategic Planning Session.

RECOMMENDATION

City Council - Adopt a motion outlining the format of the February 27, 2021 City Council Strategic Planning Session.

Council, City Manager Stephanie DIETZ and City Attorney Phaedra NORTON discussed the upcoming City Council Strategic Planning Session to include possible broadcasting of the meeting, ways to accept public comment, noticing requirements for the meeting, format of the meeting, and the start and finish times for the meeting.

K.3.

SUBJECT: Discussion and Direction for an Alternate Name for the Business Grant Program Established in Recognition of Black History Month

REPORT IN BRIEF

Discussing and Direction for an alternative name for the Business Grant program established in recognition of Black History Month as requested by Council Member Ornelas.

RECOMMENDATION

Provide direction to staff for an alternative name for the approved Business Grant program to allow for implementation in February 2021

Council Member ORNELAS requested feedback for alternate names for the proposed small business grant program.

Council discussed honoring the late businessman and community leader, Dr. Napoleon WASHINGTON, Jr., by naming the program after him.

K.4.

SUBJECT: Discussion on the Format of Future City Council Meetings During COVID-19

REPORT IN BRIEF

Discuss the format of City Council Meetings.

RECOMMENDATION

Provide staff direction on the format of future City Council Meetings.

Council agreed to hold the next meeting in the same format.

K.5. 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 a resolution of support for farmers in India at the next meeting.

A motion was made by Mayor Serratto, seconded by Council Member Ornelas, to add a resolution of support for the Indian farming community on the next City Council Agenda. The motion carried by the following vote:

Aye: 7 - Mayor Serratto, Mayor Pro Tempore Blake, Council Member Echevarria, Council Member Shelton, Council Member Perez, Council Member Ornelas, and Council Member Boyle

No: 0

Absent: 0

K.6. 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 ECHEVARRIA commented on the South Merced community cleanup.

Council Member ORNELAS reminded the public about the fundraiser for Covas Restaurant and commented on the upcoming Virtual Town Hall.

Mayor SERRATTO commented on an upcoming community cleanup at Joe Herb Park and a fundraiser for the utility box art project.

Clerk's Note: Council adjourned back into Closed Session at 9:52 PM.

L. ADJOURNMENT

Clerk's Note: Council adjourned from Closed Session and adjourned the Regular Meeting at 10:25 PM. The Regular Meeting was adjourned in honor of former Board of Supervisor Jerry O'BANION.