



# 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

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Monday, April 5, 2021

6:00 PM

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#### 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 5:06 PM.

**Clerk's Note:** Council Member ORNELAS arrived to the Closed Session at 5:07 PM.

- B.1.** SUBJECT: CONFERENCE WITH LABOR NEGOTIATORS -- Agency Designated Representative: City Manager Stephanie Dietz; Employee Organizations: International Association of Fire Fighters, Local 1479 and Merced Association of City Employees (MACE). AUTHORITY: Government Code Section 54957.6
- B.2.** SUBJECT: CONFERENCE WITH REAL PROPERTY NEGOTIATORS - Property: 3033 G Street, Merced, CA APN 007-350-009; Agency Negotiator: Frank Quintero, Director, Economic Development; Negotiating Parties: Eric Hamm Representing Cen Cal Land & Cattle Company and City of Merced; 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: City of Merced, City of Los Banos, and City of Atwater, Petitioners, vs. Merced County Association of Governments, Respondents
- B.4.** SUBJECT: LIABILITY CLAIMS; Claimant(s): Jose Vega, Steven Walker, Farmers Insurance, Teresa Dimeola, Vincent Gray, Michael Bliss, Kimberly Falk; Agency Claimed Against: City of Merced, Local

Agency Member of the Central San Joaquin Valley Risk Management Authority - a Joint Powers Authority; AUTHORITY: Government Code Section 54956.95

**B.5.** SUBJECT: CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION Significant Exposure Litigation Pursuant to Paragraph (2) of Subdivision (d) of Government Code section 54956.9: (1) potential case

**Clerk's Note:** Council adjourned from Closed Session at 6:00 PM.

## C. CALL TO ORDER

Mayor SERRATTO called the Regular Meeting to order at 6:03 PM.

C.1. Invocation - Lamar Henderson, All Dads Matter

The invocation was delivered by Lamar HENDERSON from All Dads Matter.

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. CEREMONIAL MATTERS

**F.1.** SUBJECT: Certificate of Recognition to Eric Hickman for His Years of Volunteering for the Weaver Middle School and Golden Valley High School Sports Teams

**REPORT IN BRIEF**

Accepted by Josh Hickman.

Council Member ORNELAS presented a Certificate of Recognition to Eric HICKMAN for his years of volunteer service to both Weaver Middle School and Golden Valley High School.

**F.2.**

**SUBJECT:** Proclamation - Sexual Assault Awareness Month

**REPORT IN BRIEF**

Received by Emilia Flores de Perez of Valley Crisis Center

Council Member SHELTON presented the proclamation for Sexual Assault Awareness Month to Emilia FLORES DE PEREZ from Valley Crisis Center.

**G. WRITTEN PETITIONS AND COMMUNICATIONS**

There were none.

**H. ORAL COMMUNICATIONS**

There were none.

**I. CONSENT CALENDAR**

**Approval of the Consent Agenda**

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

**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 Contracts for the Month of March 2021

**REPORT IN BRIEF**

Notification of awarded Non-Public Works contracts under \$33,000 and of Public Works contracts under \$71,862.

**This Consent Item was approved.**

**I.3.**

**SUBJECT:** Information Only - Planning Commission Minutes of February 17, 2021

**RECOMMENDATION**

For information only.

**This Consent Item was approved.**

**I.4.**

**SUBJECT:** Information Only - Traffic Committee Minutes of January 12, 2021

**RECOMMENDATION**

For information only.

**This Consent Item was approved.**

**I.5.**

**SUBJECT:** Approval of City Council/Public Financing and Economic Development/Parking Authority Meeting Minutes of February 16, 18, 27, March 1, and March 15, 2021

**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 February 16, 18, 27, March 1, and March 15, 2021.

**This Consent Item was approved.**

- I.6. **SUBJECT:** Approval of an Increase of \$170,000 in Development Services Revenue Account - License and Permits/Construction Permits and Approval of Appropriation of \$170,000 in Development Services Expenditure Account - Professional Services for Fiscal Year 2020-2021

**REPORT IN BRIEF**

Considers approving an increase of \$170,000 in Development Services Department revenue account License and Permits/Construction Permits; approving an appropriation of \$170,000 in Development Services expenditure account Professional Services for Fiscal Year 2020-2021.

**RECOMMENDATION**

**City Council** - Adopt a motion:

- A. Approving an increase of \$170,000 in Development Services revenue account License and Permits/Construction Permits; and,
- B. Approving an appropriation of \$170,000 in Development Services expenditure account Professional Services for Fiscal Year 2020-2021; and,
- C. Authorizing the Finance Officer to make the necessary budget adjustments.

**This Consent Item was approved.**

- I.7. **SUBJECT:** Adoption of Resolution Approving Final Map 5377 for the Bellevue Ranch West, Village 18-A, Phase 1 Subdivision for 45 Single-Family Lots, Generally Located West of M Street Between Arrowwood Drive and Bellevue Road, and the Approval of the Subdivision Agreement for the Bellevue Ranch West, Village 18-A, Phase 1 Subdivision

**REPORT IN BRIEF**

Considers the approval of Final Map #5377 for 45 single-family lots, generally located west of M Street between Arrowwood Drive and Bellevue Road, and the Subdivision Agreement for the Bellevue Ranch West, Village 18A, Phase 1 subdivision.

**RECOMMENDATION**

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**City Council** - Adopt a motion:

- A. Approving **Resolution 2021-25**, a Resolution of the City Council of the City of Merced, California, approving the Final Subdivision Map for the Bellevue Ranch West, Village 18A, Phase 1 Subdivision (#5377); and,
- B. Approving the Subdivision Agreement for Bellevue Ranch West, Village 18A, Phase 1 Subdivision; and,
- C. Authorizing the City Manager or designee to execute all necessary documents.

**This Consent Item was approved.**

**I.8.**

**SUBJECT:** Approval of Street Closure Request #21-01 by the City of Merced and the Merced County Hispanic Chamber of Commerce to Host a Monthly Farmers Market Event (El Mercado) on Thursdays (with the Exception of May 5), Located on W. Main Street Between M Street and Martin Luther King (MLK) Jr. Way, Canal Street Between Main Street and W. 18th Street, and Bob Hart Square on Wednesday, May 5, Thursday, June 3, July 1, August 5, September 2, and October 7, 2021, from 6:00 p.m. to 10:00 p.m.

**REPORT IN BRIEF**

Considers approving a request by the City of Merced and the Merced County Hispanic Chamber of Commerce for the closure and use of City streets and Bob Hart Square on Wednesday, May 5, Thursday, June 3, July 1, August 5, September 2, and October 7, 2021, for a monthly Farmers Market Event (El Mercado). The request seeks approval to close W. Main Street, between M Street and Martin Luther King Jr. Way, Canal Street between Main Street and W. 18th Street, and Bob Hart Square from 6:00 p.m. to 10:00 p.m.

**RECOMMENDATION**

**City Council** - Adopt a motion approving the street closure of W. Main Street between M Street and Martin Luther King Jr. Way, Canal Street between Main Street and W. 18th Street, and the use of Bob Hart Square on Wednesday, May 5, Thursday, June 3, July 1, August 5, September 2, and October 7, 2021, from 6:00 p.m. to 10:00 p.m., subject to the details and conditions outlined in the Administrative Staff Report.

This Consent Item was approved.

I.9.

**SUBJECT:** Authorization to Amend a Contract with CentralSquare, and Approve New Agreements with CentralSquare Payments, and Paya/BMO Harris Bank N.A. for Online Utility Billing Credit Card Payments Resulting in an Estimated Annual Increase of \$5,846

**REPORT IN BRIEF**

Amend and authorize contracts with CentralSquare, CentralSquare Payments, and Paya/BMO Harris Bank N.A. used for online utility billing credit card payment processing resulting in an estimated annual increase of \$5,846.

**RECOMMENDATION**

**City Council** - Adopt a motion:

- A. Approving the first amendment to the master agreement with CentralSquare; and,
- B. Approving new agreements with CentralSquare Payments and Paya/BMO with an estimated annual amount of \$5,846; and,
- C. Authorizing the City Manager or designee to execute the necessary documents; and,
- D. Authorizing the Finance Officer to make the necessary budget adjustments.

This Consent Item was approved.

I.10.

**SUBJECT:** Approval of Consulting Agreement with ControlPoint Engineering, Inc., for Software Maintenance Services Related to the City's SCADA System for a Three-Year Term, Not to Exceed \$250,000 for the Initial Term and the Not to Exceed Amount of \$100,000 for the Optional One (1) Year Extension

**REPORT IN BRIEF**

Considers approving a three-year consulting agreement for software maintenance services and related tasks for the City's SCADA system not to exceed \$250,000 for the initial term.

**RECOMMENDATION**

**City Council** - Adopt a motion approving the Consulting and

Professional Services Contract with ControlPoint Engineering, Inc., for a three-year term, for up to \$250,000 in the initial 3-year term and \$100,000 in the optional 1-year extension term, and authorizing the City Manager or designee to execute the necessary documents.

**This Consent Item was approved.**

**I.11.**

**SUBJECT:** Adoption of Resolution Setting a Public Meeting for Monday, June 7, 2021, and a Public Hearing for Monday, June 21, 2021, Regarding Maintenance Districts Engineer's Reports and Budgets - Fiscal Year 2021/2022

**REPORT IN BRIEF**

Considers setting a public meeting for Monday, June 7, 2021, to address the proposed Engineer's Reports and Budgets and a formal public hearing for Monday, June 21, 2021, before a determination is made on the level of assessment to approve.

**RECOMMENDATION**

**City Council** - Adopt a motion adopting **Resolution 2021-26**, a Resolution of the City Council of the City of Merced, California, approving Engineer's Reports on Maintenance Districts and setting a public meeting and a public hearing thereon.

**This Consent Item was approved.**

**I.12.**

**SUBJECT:** Adoption of Resolution Approving Program Supplement No. W14 to Administering Agency - State Agreement for State Funded Projects No. 00119S for Senate Bill 1 (SB1) Funds from the Local Partnership Program LPPSB1L-5085(053) to be Used for Resurfacing of N Street, Reconstruction of G Street, and General Street Maintenance in the Amount of \$1,253,000

**REPORT IN BRIEF**

Considers a resolution approving a California Department of Transportation Program Supplement for the use of \$1,253,000 in SB1 LPP funding for Construction of Project 120060 - N Street from 16th to 18th Streets, Project 117039 - G Street from Childs Avenue to 13th Street, and general street maintenance.

**RECOMMENDATION**

**City Council** - Adopt a motion:



- A. Adopting **Resolution 2021-23**, a Resolution of the City Council of the City of Merced, California, approving State Funded Projects Program Supplement Agreement No. W14; and,
- B. Approving the use of pooled cash until reimbursement is received from the State; and,
- C. Authorizing the City Finance Officer to make necessary budget adjustments; and,
- D. Authorizing the City Manager or designee to execute the necessary documents.

**This Consent Item was approved.**

**I.13.**

**SUBJECT:** Approval of Agreement for Labor Relations Consulting, Labor Contract Negotiations and Employee Related Legal Services with the Law Firm of Lozano Smith, LLP in the not to Exceed Amount of \$100,000

**REPORT IN BRIEF**

Considers approving an agreement for labor relations consulting, labor contract negotiations and employee related legal services with the law firm of Lozano Smith, LLP.

**RECOMMENDATION**

**City Council** - Adopt a motion approving an agreement for professional services with the law firm of Lozano Smith, LLP for labor relations consulting, labor contract negotiations, and employee related matters and authorizing the City Manager or designee to execute the necessary documents.

**This Consent Item was approved.**

**I.14.**

**SUBJECT:** Authorization to Accept Funds from the Law Offices of Richard L. Harriman in the Amount of \$7,500 and Approval of a Supplemental Appropriation in the Amount of \$7,500 in Fund 667-Liability for Preparation of Administrative Record in Casey Steed, et al. vs. City of Merced, et al

**REPORT IN BRIEF**

Considers accepting payment of \$7,500 from the Law Offices of Richard L. Harriman and approving a supplemental appropriation in

Fund 667-Liability for preparation of the administrative record in *Casey Steed, et al. vs. City of Merced, et al.*

#### RECOMMENDATION

**City Council** - Adopt a motion accepting \$7,500 in Fund 667-Liability, increasing revenue account 667-0411-331.01-11 Cost Recovery and appropriating the same in account 667-0411-512-30.12 (legal liability).

**This Consent Item was approved.**

## J. REPORTS

### J.1.

**SUBJECT:** Report on Existing Supportive and Housing Services Available for Homeless and Direction on Additional Services at Selected Encampment Sites Allowing for Targeted Public Space Management

#### REPORT IN BRIEF

Staff to provide a report on the existing supportive services and housing placement resources for individuals experiencing homelessness and requesting the City Council to provide direction on selected encampment sites, recommended services at the site and options for more targeted public space management in parks and merchant areas.

#### RECOMMENDATION

**City Council** - Adopt a motion providing staff direction on the preferred encampment locations, targeted supportive and housing services, and targeted public space management categories as recommended.

City Manager Stephanie DIETZ gave a slideshow presentation on existing supportive and housing services available for homeless individuals, the location of current homeless encampments, and potential for directing services to selected encampment sites to allow for targeted public space management.

Council and Ms. DIETZ discussed the current services available to the homeless, locations of the current homeless encampments, concerns with encampments located near the freeway, concerns with encampments near parks and schools, types of services that will be offered to targeted encampments to better manage the situation, an agreement with CalTrans for litter removal, an enforcement component, and the importance of working with various partners and the homeless as well.

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

J.2.

**SUBJECT:** Discussion and Direction on a Proposed Housing Ordinance to Establish a Rental Housing Maintenance and Inspection Program, Discussion on the Proposed Outreach Strategy, and Authorization to Set a Public Hearing to Introduce the Ordinance at a Future Meeting

**REPORT IN BRIEF**

Considers the authorization to proceed with the public hearing of the proposed Rental Housing Maintenance and Inspection Ordinance for the City of Merced, provides staff direction on establishing a rental housing maintenance and inspection program and approves the recommended outreach strategy as proposed by staff.

**RECOMMENDATION**

**City Council** - Adopt a motion authorizing staff to set a Public Hearing for the potential introduction of an ordinance adding Chapter 8.52 Rental Housing Maintenance and Inspection Code to the Merced Municipal Code.

Fire Chief Derek PARKER gave a slideshow presentation on a proposed housing ordinance to establish a Rental Housing Maintenance and Inspection Program, the estimated fees, and the proposed outreach strategy.

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

Sheng XIONG, Merced - expressed concerns with some aspects of the ordinance and requested the fee schedule be created prior to the adoption of an ordinance.

Casey STEED, Merced - stated that the ordinance was not needed at this time due to the other inspection and enforcement programs currently in place.

Council, Chief PARKER and City Manager Stephanie DIETZ discussed the fees, costs being passed on to the renters, the threshold number of units to be inspected, accessory dwelling units, and inspection criteria.

Mayor Pro Tempore BLAKE made a motion to approve this item as recommended by staff with a second by Council Member ECHEVARRIA.

**Clerk's Note:** Further Council discussion ensued regarding the number of units and the fee schedule with no vote taken on the motion. Mayor Pro Tempore BLAKE agreed to amend his motion.

A motion was made by Mayor Pro Tempore Blake, seconded by Council Member Shelton, to bring the current ordinance and fee structure and an optional ordinance and fee structure to a future meeting. 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:** Report on Housing Resources, Approval of Appropriation of Loan Payoff Proceeds in the Amount of \$616,920 From The Grove Affordable Housing Project, Authorizing the Payoff of Outstanding HUD 108 Loan Balance, and Direction on Allocating the Remainder of The Grove Loan Payoff and Previous Payments in Support of Gateway Terrace II, Childs and B, and Other Eligible Activities

**REPORT IN BRIEF**

Report on Housing Resources, approval of appropriation of loan payoff proceeds in the amount of \$616,920 from The Grove Affordable Housing Project, authorizing the payoff of outstanding HUD 108 loan balance, and direction on allocating the remainder of the Grove loan payoff and previous payments in support of Gateway Terrace II, Childs and B, and other eligible activities.

**RECOMMENDATION**

**City Council** - Adopt a motion:

- A. Accepting the report on housing resources; and,
- B. Appropriating \$616,920 from the unencumbered, unreserved fund balance in Fund 380-Housing Debt Service for The Grove HUD 108 payoff; and,
- C. Approving the transfer of the remainder of the loan payoff from Fund 380-Housing Debt Service to Fund 018-CDBG and Fund 071-LMI Housing.
- D. Authorizing the City Manager or designee to execute all necessary documents related to the payoff of the outstanding HUD 108 loan balance; and,

E. Providing direction on allocating the remainder of the Grove Loan Payoff in support of Gateway Terrace II, Childs and B, and other eligible activities; and,

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

Development Services Director Scott MCBRIDE gave a slideshow presentation on housing resources, a loan payoff in the amount of \$616,920 for The Grove Affordable Housing Project, and different projects eligible for funding as a result of a payoff.

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

## K. BUSINESS

K.1. **SUBJECT:** Appointment(s) to the Regional Airport Authority

### REPORT IN BRIEF

Consider appointing up to two applicants to the Regional Airport Authority.

### RECOMMENDATION

**City Council** - Adopt a motion appointing up to two (2) applicants to serve as members of the Regional Airport Authority and select term end dates for each appointment.

Deputy City Clerk John TRESIDDER briefly discussed the vacancies and application process for the Regional Airport Authority.

Council discussed the applicants before making nominations for appointment.

**A motion was made by Mayor Pro Tempore Blake, seconded by Council Member Shelton, to appoint applicant Jim Lopez Song to a term ending in 2023 and Cheryl Hirsch to a term ending in 2021. 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 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 briefly discussed options for in person meetings but agreed to hold the next meeting in the current format.

**K.3.** **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.

Council Member ORNELAS requested to add an item regarding supporting our local street vendors at the second meeting in May.

**K.4.** **SUBJECT:** City Council Comments

**REPORT IN BRIEF**

Provides an opportunity for the Mayor and/or Council Member(s) to make a brief announcement on any activity(ies) she/he has attended on behalf of the City and to make a brief announcement on future community events and/or activities. The Brown Act does not allow discussion or action by the legislative body under this section.

Council Member BOYLE commented on attending a ribbon cutting for Luscious Wrapz, the community cleanup at Joe Herb Park, and the grand opening of the El Capitan Hotel.

Council Member PEREZ commented on attending the Cesar CHAVEZ caravan event.

Council Member ECHEVARRIA thanked all those helping with the community cleanup at Joe Herb Park.

Council Member ORNELAS thanked the community for helping with the cleanup at Joe Herb Park, the youth football season, and an event to honor street vendors.

Mayor SERRATTO thanked all involved with the cleanup efforts at Joe Herb Park and mentioned a Merced County Virtual Town Hall presented by Supervisor Josh PEDROZO.

**Clerk's Note:** Council adjourned back into Closed Session at 8:41 PM.

## L. ADJOURNMENT

**Clerk's Note:** Council adjourned from Closed Session and adjourned the Regular Meeting at 9:11 PM.

**A motion was made by Council Member Ornelas, seconded by Mayor Pro Tempore Blake, to adjourn the meeting in honor of co-founder of the United Farm Workers, Al Rojas. 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